

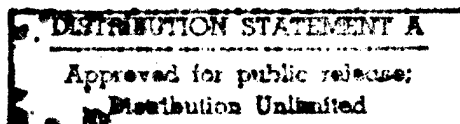
172136

JPRS 83482

17 May 1983

Near East/South Asia Report

No. 2754



19980601 151

FBIS

FOREIGN BROADCAST INFORMATION SERVICE

DTIC QUALITY INSPECTED 3

6
174
A08

NOTE

JPRS publications contain information primarily from foreign newspapers, periodicals and books, but also from news agency transmissions and broadcasts. Materials from foreign-language sources are translated; those from English-language sources are transcribed or reprinted, with the original phrasing and other characteristics retained.

Headlines, editorial reports, and material enclosed in brackets [] are supplied by JPRS. Processing indicators such as [Text] or [Excerpt] in the first line of each item, or following the last line of a brief, indicate how the original information was processed. Where no processing indicator is given, the information was summarized or extracted.

Unfamiliar names rendered phonetically or transliterated are enclosed in parentheses. Words or names preceded by a question mark and enclosed in parentheses were not clear in the original but have been supplied as appropriate in context. Other unattributed parenthetical notes within the body of an item originate with the source. Times within items are as given by source.

The contents of this publication in no way represent the policies, views or attitudes of the U.S. Government.

PROCUREMENT OF PUBLICATIONS

JPRS publications may be ordered from the National Technical Information Service, Springfield, Virginia 22161. In ordering, it is recommended that the JPRS number, title, date and author, if applicable, of publication be cited.

Current JPRS publications are announced in Government Reports Announcements issued semi-monthly by the National Technical Information Service, and are listed in the Monthly Catalog of U.S. Government Publications issued by the Superintendent of Documents, U.S. Government Printing Office, Washington, D.C. 20402.

Correspondence pertaining to matters other than procurement may be addressed to Joint Publications Research Service, 1000 North Glebe Road, Arlington, Virginia 22201.

17 May 1983

NEAR EAST/SOUTH ASIA REPORT

No. 2754

CONTENTS

REGIONAL AFFAIRS

INTERNATIONAL AFFAIRS

'AL-MUSTAQBAL'on Mideast War Predictions (AL-MUSTAQBAL, 2 Apr 83)	1
Briefs	
Cost To Clean Up Oil Slick	3
Gulf Shipping Lines	3

ARAB AFRICA

EGYPT

Development of Foreign Policy Reviewed (Sa'd-al-Din Ibrahim; AL-AHRAM AL-IQTISADI, Feb 83)	4
Country's Growing Foreign Debt, Loan Policies Examined (Umaymah Kamal; AL-AHRAM AL-IQTISADI, 7 Mar 83)	11
Admissions of the Amir of a Religious Group (Taha al-Samawi Interview; AL-JUMHURIYAH, 4 Apr 83)	20

LIBYA

Government Reportedly Builds Four New 'Detention Camps' (SUNA, 22 Apr 83)	24
--	----

MOROCCO

Briefs	
New Political Party	25

SUDAN

Al-Qadhdhafi's Plots To Subvert Numayri Regime Exposed ('Adil Rida; AKHIR SA'AH, 16 Mar 83)	26
---	----

TUNISIA

Torture and Detentions Condemned by Human Rights League (AL-MUSTAQBAL, 17-23 Feb 83)	35
---	----

ARAB EAST/ISRAEL

ISRAEL

Israeli Attitudes on Shultz Visit Surveyed (Yisra'el Segal; KOTERET RASHIT, 27 Apr 83)	39
Israeli 'Defense' Organization Active in West Bank (Jerusalem Domestic Service, 5 May 83)	42
Schiff Commentary on Israeli, Syrian Tension (Ze'ev Schiff; HA'ARETZ, 27 Apr 83)	44
Briefs	
'ASH-SHA'B Distribution in W. Bank	47
Pirate Cable TV Station Destroyed	47
W. Bank College	47
Refugee Rehabilitation Project	48
Opposition to VAT Collection	48
Jordanian, Israeli Oxidizing Plants	48
New Airfield in Lebanon	49
Israeli Delay of Tabah Talks	49
Defense Ministry Personnel Changes	49
No NRP Young Guard Party	49
Ehrlich Prevention of Samaria Settlement	49
Israel, Zaire Aviation Agreement	50
E. Jerusalem Newspaper Plan	50

JORDAN

Comments on al-Biqa' Tension (Amman Domestic Service, 22 Apr 83)	51
---	----

LEBANON

Haddad Delivers Speech on Current Issues (Sa'd Haddad; Voice of Hope, 30 Apr 83)	54
Communist Party Leader Interviewed on Damascus Television (George Hawi Interview; Damascus Domestic Television Service, 27 Apr 83)	59

Briefs	
Al-Qir'awn Lake Waters Drained	62
Report on Terrorist Organization	62
PALESTINIAN AFFAIRS	
PLO Radio on Reagan's Policy	
(Voice of Palestine, 23 Apr 83)	63
PLO Radio Raps Reagan Remarks Against PLO	
(Voice of PLO, 23 Apr 83)	66
Gaza Mayor Comments on Palestinian, Jordan Ties	
(Randa Taqiy al-Din; MONDAY MORNING, 18-24 Apr 83)	67
'AL-MAJALLAH' Reports on French-PLO Security Cooperation	
(AL-MAJALLAH, 23-29 Apr 83)	70
Briefs	
PLO Facing Financial Difficulties	71
Abu Nidal Movements	71
Magazine Condemns U.S. Anti-PLO Stance	71
SYRIA	
Future of Syrian-Iranian Relations Examined	
(D. 'Ali Nurizadeh; AL-DUSTUR, 4 Apr 83)	73
Damascus Comments on Status of Golan Heights	
(Damascus Domestic Service, 21 Apr 83)	79
Trends in Public Industrial Sector Discussed	
(Salma Kamil; AL-BA'TH, 6 Mar 83)	80
Agricultural Sector's Progress Over Past Two Decades Reviewed	
('Abd al-Malik al-Akhras; AL-BA'TH, 6 Mar 83)	85
UNITED ARAB EMIRATES	
Briefs	
Fuel Prices Increased	89
Workforce, Medicaid Cut	89
PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN	
Briefs	
CSSR Official Arrives	90

SOUTH ASIA

AFGHANISTAN

Mujahidin, Government Forces Clash in Paktia Province (SPA, 3 May 83)	91
Soviets Trying To Eradicate French Medics (Walter H. Rueb; DIE WELT, 12 Apr 83)	92

BANGLADESH

Sheikh Hasina Speaks at 15-Party Meeting (THE NEW NATION, 10 Apr 83)	95
Divisive Trends Reported To Persist in BNP (Mahmud Rashid; HOLIDAY, 9 Apr 83)	96
Report on Democratic League Central Committee Parley (THE NEW NATION, 9 Apr 83)	98
Finance Minister Speaks at Group of 77 Meeting (THE BANGLADESH OBSERVER, 10 Apr 83)	99
Revised 5-Year Plan Makes Public Spending Cuts (Hossain Khasru; HOLIDAY, 9 Apr 83)	101
World Bank Notes Weakness in Project Administration (Hassan Abul Quashem; THE NEW NATION, 12 Apr 83)	103
Indians Reportedly Cause Ganges Level To Fall (Kazi Montu; THE NEW NATION, 11 Apr 83)	105
Briefs	
Muslim League Meeting	106
Education Consultative Body	106
New Labor Organization	106

INDIA

U.S. Position on Asian Development Bank Deplored (Editorial; THE STATESMAN, 7 Apr 83)	108
U.S. Reports on Artillery 'Purchase' Raise Doubts (G. K. Reddy; THE HINDU, 9 Apr 83)	109
Major Elections Planned Each Year Until 1988 (THE STATESMAN, 7 Apr 83)	111
External Affairs Minister Speaks to Group of 77 (THE TIMES OF INDIA, 7 Apr 83)	112

Longowal Says Sikhs To Raise Volunteer Army (THE STATESMAN, 9 Apr 83)	114
Analyst Assesses Debates on Foreign Policy, Defense (G. K. Reddy; THE HINDU, 10 Apr 83)	116
Reportage on Shortcomings in Defense Purchasing (THE STATESMAN, various dates)	120
Purchases From Hisdustan Monark 'Unanswered Questions' Noted	
Reportage on CPI National Council Meeting (PATRIOT, various dates)	130
Rao Releases Communique Resolution on 'U.S. War Plans'	
CPI-M Leader Gives Views on PRC, CPSU (PATRIOT, 12 Apr 83)	133
Governors Meet Marked by Concern Over Violence (G. K. Reddy; THE HINDU, 10 Apr 83)	134
Minister Tells Policy on Indian Ocean Conference (PATRIOT, 8 Apr 83)	135
Ministry of Industry Releases Annual Report (THE STATESMAN, 8 Apr 83)	136
FRG Plans Cut in Development Aid to India (PATRIOT, 7 Apr 83)	137
India Reported To Favor Vietnam, ASEAN Talks (G. K. Reddy; THE HINDU, 11 Apr 83)	138
Japanese Expertise for Technological Advance (Nitish Chakravarty; THE HINDU, 11 Apr 83)	140
Report on Recommendations of Public Sector Parley (THE HINDU, 7 Apr 83)	142
Delhi in Dilemma Over Puri Report on Gold Sales (G. K. Reddy; THE HINDU, 7 Apr 83)	144
Briefs	
Indo-Pakistan Panel	146
Soviet Purchases Slacken	146
Antarctica Plans Told	146
Water Resources Council	147
Indo-Libyan Joint Commission	147

IRAN

Tehran Blames Reagan and PLO for Beirut Embassy Blast (IRAN PRESS SERVICE, 21 Apr 83)	148
Iranian Emigre Opposition on Commanders' Deaths (IRAN-E AZAD, 16 Apr 83)	149
Results of Militarization, Islamization Described (Azad; ESPRIT, Apr 83)	150
Professional Military Start To Make Comeback (IRAN PRESS SERVICE, 21 Apr 83)	155
Signs of More Conventional Nationalism Seen (IRAN PRESS SERVICE, 21 Apr 83)	157
Briefs	
'Guerrilla Chiefs Held' Claim	158
Fighting Ends Inconclusively	158
Some University Departments Reopen	158
Beijing Anxiety Over Muslim Movements	159

PAKISTAN

Pakistani Paper on Andropov Remarks on Afghanistan (Editorial; JASARAT, 25 Apr 83)	160
Flogging of Political Leaders, Workers Condemned (THE MUSLIM, 18 Apr 83)	162
Lahore Teachers Taken Into Custody (KHALEEJ TIMES, 6 May 83)	164
Briefs	
NAP Leader in New Delhi	165

INTERNATIONAL AFFAIRS

AL-MUSTAQBAL ON MIDEAST WAR PREDICTIONS

JN032029 Paris AL-MUSTAQBAL in Arabic 2 Apr pp 16-17

[Unattributed report: "Middle East Crisis--The Question Is no Longer Whether War Takes Place Between Syria and Israel. The Question Now Is When the War Will Take Place Between Syria and Israel."]

[Excerpts] Until 2 weeks ago, the question was: Will war take place between Syria and Israel?

Today, the question is: When will war take place between Syria and Israel? The war then is inevitable.

The new Israeli Chief of Staff Moshe Levi has set the date of the war; either in the spring or in the summer.

Levi followed up by calling up the general reserve of the Israeli Army for a whole year, 1983-1984. Yet, during the Lebanon war, the reserve was only called up for 1 month. This was then extended to 3 months.

French diplomatic circles were more precise in determining the date of the war. They said that it would take place during the first 20 days of May.

The USSR did not set a date, but it expected the war to take place "very soon." The USSR has addressed a secret, strongly worded warning to Israel about the consequences and ramifications of such a war. It issued an open warning through Ambassador Soldatov that "any aggression against Syria will prompt Moscow to invoke the friendship treaty."

The information available to the Egyptian representative in the United Nations confirms the inevitability of the war between Syria and Israel in the spring.

The United State is silent, but it is actively seeking the withdrawal [of foreign forces] from Lebanon and is putting strong pressure on King Husayn to enter the negotiations "within the framework of the Reagan plan." This indicates that the United States wants to defuse the situation to avoid an outbreak of war, which could upset all the balances in the region, beginning with bidding farewell to the Reagan plan for good and ending with the return of the USSR to the region through its widest door.

As for Syria, it is expecting the war and getting ready for it at any moment.

What is Syria's position on the hot spring?

Those who have visited President Hafiz al-Asad, the last of whom was Walid Junblatt, quote the president as saying: "The Arabs and the Soviets are fortunate that Andropov has assumed power in the USSR. He is a clear leader and a decision maker who abides by his promises. He likes the Arabs.

"Our decision is clear. We are preparing ourselves to face any Israeli aggression. Our reply will be harsh if war takes place. It will not be a battle limited in time and place. This time, we will not allow Israel free rein to make its own decision. The Soviets promised to supply us with arms and they fulfilled their promises. They want to establish a strategic balance between us and Israel. They gave us arms which did not exist outside the USSR, even inside the Eastern bloc itself. Israel thinks that it can destroy the new missile batteries we are obtaining. Let them try. For every missile we lose, we will get two. Any missile hit will be replaced by more sophisticated missiles. Therefore the battle will be a long one. It will not be a matter of a few days.

"I told President Amin al-Jumayyil in New Delhi about our position. I told him: We are ready to facilitate a solution in Lebanon and withdraw the Arab deterrent forces, but such a withdrawal must be on two bases:

"First, the military circumstances: Any Syrian movement or regrouping of forces will take into consideration the movement and regrouping of the Israeli forces.

"Second: We have friends in Beirut, Jabal Lubnan, northern Lebanon and al-Biqa'. We will not allow our withdrawal to expose them to a strike. We will not allow a repetition of what happened in West Beirut."

What President al-Asad said ended here.

The other statements reiterated by military and political circles in Damascus are:

The war will take place during a period from 15 April to 15 May 1983.

The possibility of Syrian cities being hit exists. Syria will retaliate by hitting Israeli cities.

The big question is: What will happen?

With the first shot, everything would stop in the region, from the Lebanese-Israeli negotiations to the "plan" for other negotiations in Washington or elsewhere.

Though wars usually upset all standards and sometimes "overturn tables," this war, with its expected ferociousness, would set up one table in Geneva with the presence of the USSR and the PLO.

CSO: 4400/303

INTERNATIONAL AFFAIRS

BRIEFS

COST TO CLEAN UP OIL SLICK--Kuwait, 21 Apr (WAKH)--The Kuwaiti newspaper AL-SIYASAH said today that the cost to clean up the oil slick stemming from the Iranian Nowruz oilfield ranges between \$6-\$8 billion. The newspaper said that big companies in a number of industrial countries have formed consortiums among themselves in order to propose their services to the Gulf countries for tackling the oil slick that is floating on the Gulf waters in an area which exceeds 19,500 sq km. The newspaper said that according to primary estimates of these consortiums the cost of tackling the oil slick will range between \$6 and \$8 billion, that is if the work begins this week. The newspaper said that although to date it has not been decided who will pay these costs, the Gulf countries have begun making their own estimates. [Text] [GF201413 Manama WAKH in Arabic 0950 GMT 20 Apr 83]

GULF SHIPPING LINES--Kuwait, 27 Mar (QNA)--Eng Ahmad Yusuf al-Turki, Saudi Ministry of Communications under secretary and director of the Arab Shipping Company has stated that regular shipping lines will be introduced among the Gulf ports. In a statement published in today's newspaper of the Kuwaiti newspaper AL-SIYASAH, al-Turki said three gigantic Gulf trade ships will join the company's fleet next week. He denied that reduced oil prices will affect the sea transportation sector. It should be noted that the Arab Shipping Company was founded on 1 July 1976 and its members are Qatar, Saudi Arabia, Bahrain, UAE, Kuwait and Iraq. [Text] [GF290605 Doha QNA in Arabic 1950 GMT 27 Mar 83]

CSO: 4400/303

DEVELOPMENT OF FOREIGN POLICY REVIEWED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 735, Feb 83 pp 28-30

[Article by Sa'd-al-Din Ibrahim: Egyptian Policy in the 80's. From 'Abd-al Nasir to Sadat to Mubarak]

[Text] The role which Egypt plays in the Arab world is governed by many considerations which are at times conflicting. The Egyptians themselves realize that their Arab role is between two contradictory attractions. The first is ideal Arab nationalism and what it requires in the way of sacrifice. The second is the stark practical reality and the extreme self-consciousness which it entails. Inclination toward either one of these contradictory forces has lead to grave consequences, often catastrophic to Egypt and the Arab world. The realization of ideal Arab nationalism led to the disaster of 1967, while the overwhelming nationalistic tendency of Sadat took him to Jerusalem in 1977. These two stands reflect the opposing attractions which dominate Egypt's role in national issues, the Arab-Israeli conflict being at the top of the list. This contradictory role manifested itself in many different ways. Egypt, at times, was the sole leader, and at times a mere subordinate. Sometimes it gave unconditionally, but at some other times it begged without dignity. It seems that President Mubarak is trying very hard to avoid being pulled toward either, but rather is adopting a carefully calculated moderate stand. His success or failure will be contingent on the extent of support of Egypt's national forces, the cooperation of the local powers, the Arab countries and Israel, and the extent of support which the international powers, especially the United States, are willing to give to maintain this moderate stand. The preservation of such a moderate stand is extremely difficult in a region whose modern history has never known moderation. Verbal or behavioral extremism is a dominant characteristic of this part of the world and is not limited to the regimes and leaders only, but extends to include political parties and social movements. A quick glance around us confirms this fact--Sharon, Begin, Khomeyni, Gush Emunim, the Phalange Party, and various religions movements. All of them are capable of creating problems that might on the surface seem limited, but are potentially explosive and could drag the whole region into endless wars. In short, this region has produced in the last 4 decades, and precisely since the creation of the Zionist State, an atmosphere hostile to modernization and characterized by extremism. Therefore, Mubarak will face great difficulties in achieving his goals.

However, Mubarak's balanced political stand has a reasonable chance of success. The events of the past two decades have left two options for the region, moderation or extremism. We have witnessed recently Sharon, Begin, and the Phalange Party's extremism in Lebanon's Sabra and Shatilla. The core of the problem here is how moderates can deal effectively with extremists, especially if only the latter have weapons in their hands or if moderates have weapons but do not like to use them?

Moderation, then, in our region is a wise policy although it may have some potential risks, which may be by no means less dangerous than the risks of extremism and madness. Moderation is still an option worthy of pursuit. The new moderate role which Egypt is assuming in the Arab world and the possible avenues by which Egypt will pursue it, requires us to shed some light on the immediate past history of the region. Our main focus will be primarily on Egypt and to a lesser degree on the Arab world. Naturally the roles of Israel, Iran, and the major powers will be considered in the Egyptian-Arab equilibrium.

Two Major Trends in Egyptian Policy

The last decade witnessed two distinct trends with respect to the Arab-Israeli conflict. Several powerful factors contributed to the emergency of the first trend--the death of 'Abd-al-Nasir, Sadat's rise to power, the October War, the tremendous jump in oil prices, and the increasing internal problems. This trend reached its peak when Sadat signed the Egyptian-Israeli peace treaty. Israel's behaviour, the way in which the Egyptian regime handled internal problems, U.S. policy toward the Middle East, and the assassination of Sadat prepared the way for the second trend to emerge.

During the last years of Jamal 'Abd-al-Nasir's regime, Egyptians believed in the inevitability of war with Israel to liberate the Arab land which Israel had occupied since 1967. The 1967 defeat confirmed their suspicions about the intentions of Israel, but at the same time the defeat shook the foundation of some of their beliefs. It has become apparent that Israel aims at expansion and uses force to impose its will on the region, and that U.S. support to the Zionist State is unconditional. It had become equally apparent that some of the old beliefs are resting on a very shaky foundation such as the ability of the Arabs to liquidate Israel and regain Arab sovereignty over all the land of Palestine and the absolute support of the Soviets. Such beliefs were prevalent in Egypt prior to the 1967 defeat. Therefore a reevaluation of the strength of the country, the strength of the enemy, and what could be expected from the Soviets was very pressing. The harsh lessons learned from the 1967 defeat forced Egypt to come to grips with reality. The slogan of a limited war for a realistic goal, namely "the redress of the Israeli aggression," seemed acceptable during the last years of 'Abd-al-Nasir's regime. Plans were made and steps were taken to achieve this goal, together with a number of measures on the local level to improve the economy and allow more popular participation in policy-making decisions. Nasir's communique of March 1968 reflected this new trend.

With respect to regional policy, Egypt aimed at co-existence and solidarity with all Arab regimes. The Khartoum summit conference expressed the formal support of the Arab countries to Egypt's strategy, while U.N. Resolution No. 242 reflected the international community's endorsement of that strategy, and the internal front stood in unity behind it. Some believed that this strategy was the ultimate form of Egypt's policy regarding the Arab-Israeli conflict, while others thought it represented a practical, yet a temporary, stage. Egyptians patiently endured the burdens of the "War of Attrition" of 1968-70, accepted their leader's political maneuvers, such as the Roger' plan, and continued to prepare for a decisive battle in their limited war.

During the course of these events, the civil war broke out in Jordan between the Royal army and the PLO. 'Abd-al-Nasir died in September 1970, and Sadat became the new president of Egypt. Despite these successive vicissitudes, the internal front remained strong.

Sadat continued to pursue the same limited goals as well as the internal policies which his predecessors set up although through different means. At the beginning Sadat's different practice and approach were regarded by many Egyptians as shrewd tactics, not as a deviation from 'Abd-al-Nasir's principles. The stunning performance of the Egyptian army in 1973 made Sadat an extremely popular figure. The legitimacy and strength of his regime no longer rested solely on the fact that he was 'Abd-al-Nasir's close friend. Shortly after the 1973 War Sadat began to have his own distinct policy which became not only clearly different from Nasir's, but also ran contrary to it. The basic four pillars of his policy were: the economic open door policy; restrained democracy; alliance with the West; and peace with Israel. Each of these issues are presented one at a time to the Egyptian public in the most clever and discreet way possible. Often times these policies were put forward within the framework of Nasirism and the ultimate goals of the 1952 Revolution. For instance, in reference to these four issues, Sadat and his propagandists, used to say that Nasir had in fact initiated them. Therefore, had he been alive, he would have done exactly what Sadat's regime was attempting to do, and that different tactics were resorted to. Deviation from Nasir's principles was not even contemplated.

The most dramatic change in Sadat's policy was his attitude towards Israel. An intensive and prolonged mass media campaign was launched to prepare the way for such a change. The mass media endeavored to impress the following upon the Egyptian public: Egypt had given of itself as humanly as possible in its war against Israel; Egypt had lost 100,000 men and \$30 billion while no other Arab country suffered anything even close to that; the U.S. will not allow any Arab victory over Israel; the Soviet Union will never provide Egypt with offensive weapons that might enable it to win the war; the Arab countries are getting richer while Egypt is increasingly getting poorer; the Arabs are wastefully spending the enormous oil revenues which the Egyptian soldiers brought about by sacrificing their lives in the October War; Egypt's severe economic problems are caused by the state of war with Israel; Egypt suffers from the burdens of debts, while the Arabs are depositing billions of dollars in foreign banks; and finally neither the Syrians, nor the

Palestinians, or the Soviets are keen on ending the Arab-Israeli conflict because they have a great stake in it. The mass media even began to discuss whether Egyptians are Arabs or not. The Arab national stand regarding the Arab-Israeli conflict began to collapse.

A 1974 poll with a limited sample indicated that 55 percent of the Egyptian public supported the PLO in their struggle against Israel until a secular democratic state is established in Palestine, while 43 percent favored that a solution of the conflict be worked out within the framework of U.N. Resolution No. 242. In the 1978 poll, only 18 percent supported the PLO strategy, while 77 percent supported Sadat's peace initiative which granted Israel more than Resolution 242 stipulated. Sadat's regime asserted that peace with Israel would rid Egypt of its economic problems and ensure justice to the Palestinian cause. Approximately 20 percent of Egypt's population, primarily leftists, Nasirists, and fanatical Muslim groups, opposed this new policy, but Sadat's powerful public opinion moulding agencies were able to condemn and isolate them.

After the signing of the Camp David Accord in 1978 and the peace treaty of 1979, Sadat was glorified as "the Hero of War and Peace." While the Arab countries were suffering from shock, disunity, and weakness, Sadat began to instill in the Egyptians a feeling of Egyptian nationalism and to belittle the significance of Arab nationalism. A new spirit emerged, namely, "Egypt comes first." Expectations for the promised comfortable life were up, and the illusion of "Palestinian autonomous rule" in preparation for the establishment of their "independent state" was meant to make the Egyptians come to terms with their conscience.

The Second Trend: From the Dreams of Peace to the Nightmares of Israeli Expansion

The three years which followed the peace treaty witnessed another trend, a change in Egyptian public opinion. From the outset, to many Egyptians the terms of the treaty seemed to be unjust to their country. Even those who supported Sadat's efforts voiced their fear and warning. The Labor Party, the strongest opposition party, voted for the treaty but with ten reservations. The warning voices became louder and more numerous as Israel continued to build new settlements in the West Bank, Gaza, and the Golan Heights despite Egypt's protests. The Egyptians' sense of guilt increased when the date scheduled for the completion of the Palestinian autonomy talks passed without reaching any settlement. The number of supporters of a peaceful solution decreased and opposition to the normalization of Egyptian-Israeli relations increased. The stalemate of the Palestinian autonomy talks and Israel's unilateral decision to annex the Arab section of Jerusalem led the Labor Party to join the leftists and the fanatic Muslim groups in criticizing the treaty as a whole. On the second anniversary of the treaty, the Labor Party withdrew its support and condemned it.

The bombing of the Iraqi nuclear reactor in the summer of 1981, only 2 days after the Sadat-Begin meeting in Sharm al-Shaykh, destroyed whatever was left in the way of belief that Israel sincerely wanted peace. Egyptian public outrage over this incident strengthened the stand of the organized opposition.

What was most troubling the Egyptians was thinking that their president was either "naive" or a "conspirator." Israel deepened the Egyptians' wounds, when a few weeks later it raided the Fakahani residential area in Beirut. Although Sadat verbally condemned Israel's aggression in public, he did not take any actions to lessen the criticism of his policies, which was becoming increasingly sharp among Egyptians. In the meantime, the pressing economic problems exhausted the peoples' patience. Not only were the promises of a comfortable life not kept, but also the high rate of inflation crippled Egypt's economy, which was at its worst since the early fifties despite the 8 percent annual growth between 1971-81. Rumors about corruption among high officials had become a part of every day life. Incidents of conflicts between religious groups were on the rise.

Sadat's visit to the U.S. was very disappointing. He failed to bring back a peace package to his country whose army was without adequate arms and to convince the Reagan Administration to exert pressure on Israel sufficient to soften its stand regarding Palestinian autonomy.

By the beginning of the autumn, Sadat's regime was under extreme pressure internally and externally. Israel kept embarrassing him, the U.S. did not support him, and the moderate Arab leaders abandoned him. Internal opposition increased and became more bold. Fundamentalist Muslims and Copts challenged his authority. In order to control the situation, he had to direct a shocking, severe, and sudden blow on the internal front, but his enemies hit back, terminating his life and regime.

To say that Sadat's policy with respect to the Arab-Israel conflict was the sole factor in his tragic end would be an oversimplification. Had he managed to accomplish a reasonable degree of success in the other three areas, he would have been able to preserve, at least for some time, his regime despite his failure in achieving a comprehensive peace settlement with Israel. But the apparent failure of each of his four main policies indicated that it was possible for his regime to stay in power. In September 1981, when he arrested virtually all political activists he signed his death certificate. His actual death, a month later, was a testimony to the fact that the Egyptian political system was experiencing a profound crisis.

After Sadat's assassination, the internal front did not change its stand. There was a unanimous consensus, however, to support Mubarak and to allow him time to work out Egypt's crisis. Therefore, complete silence regarding Israel prevailed, awaiting its final withdrawal from Sinai in April 1981. Except for a few scattered voices in support of Sadat's policy, the peace efforts initiated by him were rapidly eroding. However, the majority of Egyptians felt that their country had paid too high a price for the return of Sinai by signing the treaty, therefore it might be wise to wait for the full realization of gains anticipated. Egyptians have no longer the desire or the ability to go to war against Israel, but in the meantime they are not prepared either to offer more concessions or to put up with Israel's aggressive actions.

The Israeli invasion of Lebanon in 1982 revived massive hatred in Egypt for Israel and renewed its lack of confidence. The very few voices who used to celebrate the peace treaty came to a complete silence.

Internal pressure has been exerted on President Mubarak to firmly with Israel. Moderate opposition called for the freezing of normalization of relations, the return of the Israeli ambassador to his country, the recall of the Egyptian ambassador from Tel-Aviv, cutting off Sinai oil shipments to Israel, and immediate reunion with the Arab countries. The extreme leftist opposition demanded the withdrawal of recognition of the peace treaty and the sending of Egyptian troops to fight side by side with the PLO. Fanatic Islamic groups have been restrained since Sadat's assassination from voicing publicly their views regarding the peace treaty. Even under ideal circumstances, they never believed in it, and holy war was their only answer to Israel's aggression. The invasion of Lebanon made many Egyptians see the validity of the Muslim fanatics' views. Therefore, it is not surprising to find in Egypt at present many distinguished intellectuals who sympathize with Muslim fanatics. Similarly, many members of the ruling National Democratic Party began to express the same views, which can be clearly seen in the party's newspaper (July 12, 1982). The response of President Mubarak to the increasing hostile feelings against Israel and the U.S. was moderately restrained. Public demonstrations were prohibited, and the opposition's views were severely criticized by official circles and were labeled as foolish and dangerous. In the meantime the government devoted considerable efforts to diplomatic activities to contain the Lebanese crisis. At the beginning of the third week of the invasion Mubarak publicly condemned Israel and the U.S. On May 15, 1982 (after 6 weeks of the invasion) he called for the convening of an Arab summit conference in order to unite the effort to face the situation. He was unconditionally prepared to go to any Arab capitol to attend the meeting. When the shelling of Beirut became extremely heavy in August, public opinion in Egypt supported the views of the opposition. Mubarak found himself for the first time in a very embarrassing situation. When the Palestinians began to leave Beirut, profound sadness prevailed all over Egypt, a sadness mixed with a collective sense of guilt. When the massacres of Sabra and Shatilla took place, the Egyptian government felt obliged to take actions in order to maintain its self-respect. It recalled the Egyptian ambassador from Tel-Aviv. This reaction was rather late and insufficient, but it was better than nothing.

During the Lebanese crisis, internal pressure was building up to force the Egyptian government to rejoin Arab ranks and to rebuild Egypt's military forces at the same level as the Israeli military. All Egyptians, including those who had some trust in Israel, lost confidence in it. In short, public opinion as well as organized political groups turned against Israel.

This trend will strengthen the stand of Muslim fanatics, who have the power to cause instability despite the government's constant attempt to keep them under control.

Mubarak's regime is facing several internal problems, and unless the regime achieves some real gains with respect to containing Israel's expansion or reaching a settlement of the Palestinian issue, it will find itself in a very dangerous situation. Rejoining Arab ranks may delay the occurrence of this explosive situation, but to what kind of Arab should Egypt return?

12188

CSO: 4504/203

COUNTRY'S GROWING FOREIGN DEBT, LOAN POLICIES EXAMINED

Cairo AL-AHRAM AL-IQTISADI in Arabic No 738, 7 Mar 83 pp 22-25

[Article by Umaymah Kamal: "Egypt's Debts and Limits of Safety and Danger; United States Holds 60 Percent of Egypt's Debts, Recovers 6 of Every 7 Dollars in Aid and Imposes Its Control on Study and Implementation; Indebtedness of Every Egyptian Has Risen From \$57 to \$420 in 10 Years"]

[Text] The volume of Egypt's debts must be controlled now, before it is too late. Exactly how much are these debts, who are they who loan to Egypt, where are the loans spent and what are the conditions surrounding the loaning and borrowing process? Why these questions? Because the Egyptian debt exceeds the limits of safety and has become fraught with danger, according to the experts.

The United States holds 60 percent of the Egyptian debt papers and recovers 6 of every 7 dollars it advances in aid, with the recovery taking the form of direct and indirect interest. Foremost among the conditions set for the U.S. loans is the stipulation that U.S. experts be in charge of initial project studies and be represented in its implementation.

Why should we establish strict control over activities involving Egypt's debts? Because the Egyptian citizen's share of foreign debts rose from \$57 to \$420 between 1973 and 1983, because we have begun to import 75 percent of the minimum wheat needed, with 60 percent obtained from the United States, and because the no-door, not just the open-door, policy and the conditions set by the IMF have been behind the imaginary increase in commodity subsidies. This increase has been a direct result of the rise in the value of the dollar and the corresponding 80-percent fall in the value of the Egyptian pound.

This is what the experts say.

How much were they, how much have they become and why this controversy over figures concerning the volume of the Egyptian debt?

What have we done with all these loans in the past 10 years?

If states, just like families, set a limit beyond which they do not go in debt from abroad, then where do we stand now in relationship to this limit?

Having marched in the past to the end of the path of reliance on the outside world and to the point where the foreign partner came to determine for us the features of our domestic economic policy, will history repeat itself?

Egypt's Foreign Debt Reaches \$18.5 Billion

Regarding the conflicting statements on the debt figures and the questions this conflict raises about the real volume of these debts, we have asked Dr Ramzi Zaki, the top expert at the National Planning Council, about the truth behind this conflict and about the possibility of determining the total figure of Egypt's debt.

Dr Ramzi Zaki says: The conflicting statements made by officials or in the reports of the statistical authorities on the extent of Egypt's foreign debt stem from the nature of certain debts that these statements include and other debts that they exclude. Generally, there are four basic elements that are excluded in these statements, the first of which is the military debts because of their confidential nature. But concealment of the military debt often affects the dimensions of the true debt picture, considering that the relative weight of these debts usually reaches major proportions in the countries located within areas of international tension, and we are foremost among such countries.

We also note that international statistics, particularly statistics issued by the IMF and the World Bank, exclude some important elements from the list of foreign debts, such as short-term loans with a duration of less than 1 year and private sector loans not guaranteed by the state. It is also true that some statements include loans actually used and exclude loans already concluded but not yet used. The loans used total nearly \$13 billion whereas the loans concluded, excluding the military loans, which range from \$3 billion to \$4 billion, amount to \$18.5 billion.

Egyptian Indebted by \$420

[Question] If we want to draw a clear picture of Egypt's current debt situation, how would we define its features?

[Dr Zaki] We can define Egypt's current debt situation by acknowledging several points, the most important being the fact that this debt rose elevenfold between 1970 and 1981, i.e., at the rate of one time each year. Thus, each citizen's share of the private debt grew from \$58 in 1970 to nearly \$420 in 1981. This share is higher than the average individual income in Egypt. Repayment installments also rose elevenfold and interest payments rose fifteenfold in the same period. As for the proportion of the total foreign debt to local production, it rose from 23.7 percent in 1970 to 102 percent in 1981. Debt servicing costs have reached the point where they consume two-thirds of the export revenues, including the revenues of oil exports. Even though Egypt's international reserves rose nearly sevenfold in the same period, their proportion of the total foreign debt dropped from 9.7 percent in 1970 to 6.1 percent in 1981. This is an important indicator of the development of the burden of the foreign debt payable by Egypt--a development that has been coupled with a sharp and continuous deficit in the balance of payments, considering that the current account deficit rose sevenfold in the 11-year period.

For a complete picture, we must look at the list of those loaning money to Egypt in the 1970's, because this list is considered an indicator of the trend of the Egyptian economy in this period and because it reflects the growing inclination to deal with the Western countries and the international economic organizations. The United States has become the number one creditor of Egypt, with its payable loans to Egypt in 1981 amount to 35.4 percent of the total debt. It is followed by the West European countries, Japan and Iran, with a share of 20.7 percent, then by the Arab financing organizations with 14 percent, the international and regional financing organizations with 13.5 percent and the socialist countries with 13.4 percent of the debt, keeping in mind that the socialist countries used to top the list of creditors with 34 percent.

Catastrophe of Rescheduling

[Question] Some officials say that Egypt has not overstepped the safe debt limit insofar as foreign borrowing is concerned, basing this view on the percentage of the debt servicing [cost] compared with local production or exports. How valid is this view?

[Dr Zaki] Generally, there is no single or absolute criterion for all developing countries on which one can rely to determine whether the state has or has not overstepped safe limits in its foreign borrowing because there is a vast difference between states insofar as their balance of payments and the relative volume of their foreign trade and national economy are concerned. I believe that the criterion for a safe limit depends on the degree of the state's need to reschedule its debts, because this rescheduling means that the state no longer has the ability to meet its debt burdens after having taken a long stride toward borrowing. This is what happened in Egypt, which has resorted to short-term loans. This is the most unfair type of loan. Most of these loans are concluded to import a particular commodity. Consequently, the state granting the loan goes to excess in setting the price, imposes other cost factors on the borrower and requires him to use its own ships for transportation. Although Egypt went to excess in borrowing, it has exerted no efforts to strengthen its abilities to repay, either by generating a strong push in the exports sector, by streamlining the use of foreign currency resources or by introducing structural changes in the makeup of the Egyptian economy to make it possible to reduce dependence on the outside world. Because of Egypt's failure to enhance its repayment capability, the debt crisis has worsened. This forced Egypt to resort to rescheduling, which is catastrophic because it incurs further burdens embodied in the levying of a delayed interest and in negotiations in which the creditors impose their terms--terms that extend to the introduction of obvious changes in the structure of the Egyptian economy.

If we leave the talk of figures as one of the indicators on which the economists rely to determine whether Egypt has surpassed safe limits, we find a different limit drawn up by another group of economists who believe that the financial terms to which Egypt has recently committed itself in return for obtaining foreign financing not only exceed the safety limit but also plunge deeply into a dangerous phase. It is important to understand this viewpoint.

Good-Conduct Certificate From IMF

Regarding the policies adopted by Egypt in the 1970's to obtain foreign loans, and the effects of these policies on the course of the Egyptian economy, Dr Judah 'Abd al-Khaliq, professor of economics at the Politics and Economics College of Cairo University, says that to be able to borrow from international organizations and foreign financial establishments and governments, Egypt had to have a certificate of good conduct from the IMF. This certificate is given on the basis of the so-called letter of intent, which is in fact a set of demands presented by the IMF. But so as not to seem as if the IMF is twisting the arm of the borrower, the borrowing state presents the letter of intent as if it were its own initiative. The latest letter of intent presented by Egypt to the IMF came in 1978. In accordance with this letter, Egypt pledged to follow a number of policies from which it would not swerve before consulting with the IMF. One of the main commitments undertaken by Egypt in accordance with this letter was to abandon multiple exchange rates, to convert all transactions between Egypt and the outside world from the official exchange rate to the incentive exchange rate, a conversion that as of January 1979 reduces the value of the Egyptian pound by 80 percent in one stroke. The impact of this commitment has been reflected in the increased import prices. If we consider that imports represent 40 percent of local production and that Egypt relies on imports in some sensitive areas, such as 75 percent of its wheat needs, then it becomes clear that it is incorrect to say that the subsidy figure has increased. The increase is unreal and deceptive because it represents in fact the difference in the computed price of the dollar, which rose from 43 piasters to 70 piasters, the latter being the incentive price. This in turn led to the budget deficit, because the state is compelled to issue currency to finance the deficit. This currency issuance is a source of inflation in the Egyptian economy.

The second commitment undertaken by Egypt was to release the freedom of importation from abroad, which means abolishing the system of quotas and of quantitative restrictions on imports and resorting to the system of open permits that has resulted in higher import rates. It also means opening the Egyptian market to the foreign side. If we add to this the impact of the reduced value of the Egyptian pound on increased import prices and lowered prices for exports in foreign currency, then it becomes obvious to us how strongly income has been redistributed between the Egyptian society and the outside world in favor of the foreign partner.

The third commitment was to terminate the trade and payment agreements that existed between Egypt and foreign countries and that regulated trade exchange between Egypt and other countries. The abolition of these agreements, according to Dr Judah 'Abd al-Khaliq, replaced the international resolutions and calculation and planning in the management of international economic relations by market forces. This in turn exposed the nerves of the Egyptian economy to the foreign sides, and this reminds us of Egypt's experience in the days of [Khedive] Isma'il.

Moreover, the IMF insisted on abolishing subsidies, both for industrial projects and for goods, in addition to demanding that measures be taken in the sphere of currency policy--measures embodied in setting a maximum limit to the credit

advanced to the public and private sectors, with the scales tipped in favor of the private sector. Politically, this measure reduced the size of the public sector. If we take into consideration the fact that the public sector engages in production and commodity activity and the private sector in service activity, then it becomes clear to us that in fact this involved restructuring the Egyptian economy in its entirety.

Diminished Economic Sovereignty

Dr Judah 'Abd al-Khaliq adds: These conditions that are tied to obtaining foreign resources undermine not only economic sovereignty but political sovereignty as well. The presence of a foreign side that participates with the Egyptian side in determining matters that are sovereign affairs, such as setting priorities, favoring the public or the private sector or setting the [currency] exchange rate, means that our sovereignty is diminished. Dr 'Abd al-Khaliq says that the matter does not end here but that there are other conditions dictated by the Advisory Consortium, which consists of a group of creditors trying to obtain from the indebted side, in this case Egypt, terms that are mostly a repetition of what this consortium had already demanded. Regarding the popular campaign to repay Egypt's debts--a campaign whose reverberations have echoed recently--Dr 'Abd al-Khaliq says: In my opinion, this call is the utmost in unfairness. How can I ask the citizens to repay the debts when they have not actually benefited from them and while society's capable classes, which are the classes that benefit most from the borrowing process, evade even their tax obligations?

Disturbing American Presence

It seems that in the 1970's, the loans took a direction completely opposite to the direction of the 1960's. In this regard, Dr Isma'il Sabri 'Abdallah, a former minister of planning, says: We can distinguish the borrowing process in the 1970's from the process in the 1960's in two basic aspects. The first is the method and terms of the loans. The loans of the 1960's were channeled mainly toward the production process, meaning that we borrowed to build factories and to import machinery and tractors for agriculture and not to buy consumer goods. Before 1973, Egypt's exports met all of our needs for consumer goods. As for the production commodities, we financed them through borrowing. Under the canopy of the open-door economy, we started to borrow in order to eat. For example, whereas the wheat shortfall did not exceed 30 percent of our consumption, it has now reached 75 percent, meaning that Egypt now produces no more than a quarter of its wheat consumption, with the rest supplied by U.S. aid under generous terms and with the officials failing to take into consideration the fact that wheat is a political commodity, exactly like weapons. The United States supplies 60 percent of the wheat exported in world trade as a whole. Consequently, should any position taken by Egypt anger the United States and should the United States decide to cut off the aid, then we would be faced with a bread crisis, and this is a serious problem. The United States may also reduce the aid as a result of the world economic crisis. We have reached the optimal degree of reliance on the outside world, embodied in our reliance on this world for our bread.

Dr Isma'il Sabri 'Abdallah adds that there is another difference, namely, the conditions on loan use. Insofar as U.S. loans and aid are concerned, there is a general Congressional law that the administration cannot change even if it wanted to. This law is to the effect that when a loan is concluded for any project, the borrowing state must employ the services of a U.S. consulting firm and a U.S. executing contractor. As a result, the aid becomes a huge agency that makes us feel a disturbing U.S. presence in the country. It is well known that the United States recovers 6 of every 7 dollars in aid by way of commission and indirect interest. There is another point to note. Assuming that the foreign consulting firm is capable and honest, it still cannot recognize the actual needs of the Egyptian society. The development process has its social dimensions, which the foreigner cannot learn by reading books and documents.

East or West Are Not the Important Thing

Borrowing in the 1960's, mostly from the Soviet Union, took place on the basis of projects determined in advance and of feasibility studies prepared by Egyptians. The Soviet presence was smaller. Moreover, the Soviets provided an opportunity for training. For example, the iron and steel complex agreement, which provided for the construction of three furnaces, stipulated the establishment of an institute to train the Egyptians so that the Soviets would take charge of running 70 percent of the production operations in the first furnace, with the percentage dropping to no more than 15 percent in the third furnace. This means that foreign expertise was replaced by Egyptian expertise. There are other differences pertaining to the repayment period and the period of grace allowed. Most of the Soviet loans provided a period of grace extending either until completion of the project or for 5 years, whichever was the lesser. A number of factories were built and started actual production before we began to repay the loans. This, of course, is not a position on my part toward the East or the West. It is merely an evaluation of Egypt's economic interest.

Minister of Planning Last to Know

[Question] There remains the question concerning the process of loan planning. Who plans them and how are they planned and are the loans tied to the development plan? The minister of planning announced at the People's Assembly that no loans are concluded before the approval of the Ministry of Planning is obtained. By virtue of your position as a former minister of planning, what is the extent of the power of the Ministry of Planning in the process of organizing the loans?

[Dr Isma'il Sabri] I believe that there is no single authority in Egypt responsible for foreign loans. This is an old phenomenon in Egypt. Any minister or delegation head can conclude a loan abroad and is not required to notify the Central Bank or the Ministry of Planning. The Ministry of Planning is always the last to know. It is certain that the minister of planning does not have binding power through which he can impose on the ministers. I believe that the Ministry of Planning is incapable, unless supported by the prime minister or by the Council of Ministers. The first attempt to take stock of Egypt's foreign debts did not take place until 1972-73 when I was the minister of planning.

Dr Hijazi was the minister of finance and then prime minister and was the first to call for making a count of Egypt's loans. For the first time ever, we were able to make a count of Egypt's military debts, despite their confidentiality. Dr Hijazi agreed with the armed forces to have an army representative stay at his office and supply him with all the data concerning the military debts so that one of the officials in charge of Egypt's economy might have the full picture of Egypt's indebtedness. But since the open-door policy, there has been, to my knowledge, no agency that has all of the data concerning Egypt's indebtedness. Therefore, I believe it is necessary to have a high-level agency capable of following up on the borrowing process, especially in regard to the accumulated interest and the repayment burden.

Self-Reliance Is Possible But...

[Question] The current 5-year plan says that one of its fundamental mainstays is national self-reliance through reducing the foreign component and correcting borrowing conditions. What is the possibility of achieving this objective under the canopy of current economic conditions?

[Dr Isma'il Sabri 'Abdallah] If the plan truly seeks greater national self-reliance, then this is a good indicator. However, I doubt that it is possible to achieve this unless we start as of now changing a number of the policies followed. For example, the doors of importation cannot be left so wide open at a time when we are declaring that our goal is to curtail consumption. Moreover, we cannot permit importation without money transfers and then demand that the Egyptian pound be bolstered. We cannot say that we are in the process of streamlining spending when we find the minister of information promising us a third television channel. This means more consumption at the expense of the national economy.

When I was the minister of planning, I opposed the idea of introducing color television because I viewed it as a form of unnecessary consumption. What does the introduction of color television mean? Simply put, it means that the government has, by its own decision, opened the door for an unjustifiable consumption item. There is also the rush for carbonated soft drinks. Are the Egyptian people in dire need of such things, keeping in mind that the soft drink plants and confectionary plants use one-fourth the total volume of Egyptian sugar consumption? Generally, I can say that the plan's goal of national self-reliance will not be achieved unless coupled with the adoption of a number of policies, foremost among them being the mobilization of local resources. The tax policy and the customs exemptions must be reexamined. Nobody, with the exception of employees, pays taxes. A firm policy must also be established to fight inflation.

Despite the danger of inflation, the government so far has paid no attention to computing the inflation rate in Egypt. It is my belief that this rate ranges from 45-50 percent. The foreign trade policy must also be reexamined so that we can determine carefully our basic needs that must be imported and establish a clear-cut export policy.

[Question] Judging by the actual conditions of the Egyptian economy, do you see any real chances of achieving this goal?

[Dr Isma'il 'Abdallah] I find that some partial measures have been taken and that some hopeful statements are being made by high-ranking officials. But I doubt that such limited changes are capable of achieving this goal.

All Loans for Projects Included in Plan

It was essential to interview an official in charge of executive aspects of the foreign borrowing process. So when we asked Samir Karim, first undersecretary in the Ministry of International Investment and Cooperation for financing affairs, how the plans are drawn and whether there is a specific agency in charge of the foreign borrowing process or whether there is conflict between more than one agency, he said: What some people reiterate about the absence of a plan for the borrowing process is untrue. The proof is that since the early 1960's, when most of the borrowing was from the Eastern countries, no loan has been concluded for a project not listed in the development plan. Since 1962, the Economic Cooperation Department has been the sole agency in charge of long-term loans for financing the projects. Before negotiating with any country, the projects are sent to the Ministry of Planning for its opinion. Either negotiations are first held with the country advancing the loan, if the loan is to be advanced as a total sum for financing a project, or the opinion of the Ministry of Planning is sought first if the loan is set for a specific project. This does not preclude the fact that some ministries conclude loans for projects which they view as important and then contact the Ministry of Planning to include these projects in the plan. The Ministry of Planning regularly responds to such requests. Since its foundation, the IMF has always urged that the private sector be given a greater role in the economic process.

Who Helps Whom?

It seems that the cycle of conditions and commitments is an endless one. Even insofar as the U.S. loans for specific projects in Egypt are concerned, we find that the loan agreements abound with conditions and shackles that restrict the movement of those in the Egyptian economy who make the decisions.

Citing examples of such conditions in al-Qutamiyah cement project agreement, Dr Judah 'Abd al-Khaliq said that the loan granted for the project amounts to \$95 million, that the most important articles of the agreement are that the Egyptian Government supply the project with \$35.1 million and 46.5 million Egyptian pounds and reloan the project \$58.5 million, with the rest of the U.S. loan advanced by the government to the project as a grant. Another provision stipulates that no less than 20 percent of the company's shares be sold to the private sector, that the prices of local cement be raised vis-a-vis imported cement and that periodic consultations be held with the International Development Agency (IDA) on the pricing of cement. There is also a commitment to sell the equivalent of \$4.6 million of the public sector's shares to investors. The Egyptian Cement Sales Bureau is also to present an annual cement-distribution plan to be approved by the IDA. Moreover, all materials imported or purchased under this agreement are to be exempted from all taxes and customs. This means that in accordance with this agreement, \$36.5 million are taken out of the state treasury to be given to the project as a grant while 20 percent of the company's capital is sold to the private sector. The agreement also

requires the Egyptian Government to hold periodic consultations with USAID on the pricing and distribution of cement, meaning that the determination of priorities is controlled by foreign management.

Dr Judah also noted the conditions pertaining to a \$2-million grant advanced to the Industrial Development Bank in 1978 which require the Egyptian Government to advance 700,000 Egyptian pounds to the project. The most important commitment pertaining to this grant is that all the various aspects concerning use of the grant, the consultation advanced by Egypt and the equipment purchased and training provided be done in the United States and with American goods. The question raised after all these conditions and the objectives concealed behind them is: Who is helping whom?

8494

CSO: 4504/261

ADMISSIONS OF THE AMIR OF A RELIGIOUS GROUP

Cairo AL-JUMHURIYAH in Arabic 4 Apr 83 p 6

/Interview with Taha al-Samawi and others by 'Abd-al-Latif Fayid:
"Confessions of the Amir of the al-Samawi Extremist Religious Group"/

/Text/ The dialogue continues between the Ministry of the Interior and the religious extremists, striving for a moderate idea or word of truth and security. The talk today at the ministry's headquarters was between one of the leaders of extremist groups and two of those who broke away from him, after discovering the truth of the matter regarding his statement claiming that he was a man of religion.

The two who left his group are 'Abd-al-Rahman Ahmad Idris and Mustafa 'Abd-al-Majid Fayad. With them and the head or amir of the group were two Islamic theologians, Shaykh 'Utiyah Saqr, member of the Islamic Research Academy, and Shaykh Dr 'Abdh-al-Ghaffar 'Aziz, professor of missionary work in Missionary College at al-Azhar University, and its former dean, as well as Hilmi al-Balk, who taped the interview for television. As for the group's amir, he is Taha al-Samawi, who calls himself 'Abdullah al-Samawi.

Persuasion by Intellect Only

At the outset, one of those who had come to confront him was allowed to speak, 'Abd-al-Rahman Ahmad Idris said: "My family circumstances compelled me to meet with those who talk about religion. By chance, I fell in with Taha al-Samawi. His words made me certain. He is an intelligent man who could convince people of what he wanted, without having to explain it. He surrounds his listeners with a great deal of strength and cuts off all avenues, so that the listener falls easy prey.

"Therefore, he convinces you that you are living in a pagan society. If you ask him about its characteristics, he reads you the holy verse, "Do not display yourself as in the pre-Islamic times." Then he asks you to judge society by something you see in the street. You don't have the ability to decide about society's paganness, because he selects his victims from those who have limited education. Then he ended by accusing the governor of being an infidel."

From the City to the Desert

'Abd al-Rahman Admad Idris continued; "Under the influence of all that, I left my job and joined him in a mosque in the village of Kafrah Harmuz in al-Jizah, after I had been one of his disciples in the Ansar al-Sunnah al-Muhammadiyah Mosque in 'Abidin in Cairo. Then I followed him to a place in the western desert which was 15 kilometers from civilization.

"One of his relatives had title to a piece of the desert land there, and he used a group of young men to reclaim it with him. In fact, we dug a well to irrigate it, and we began to prepare it for cultivation. We built a house on it, since we had been living in tents. The intensity of my belief in him was such that my wife and small child only 40 days after birth accompanied me, living with me in the desert in severe cold. I spent the day with several youths reclaiming the land.

"He made us believe that this was our new society, which we would make into the ideal that we wanted, far from the paganistic society. We were working in commercial projects, and he would take our profits from us, claiming that he was the amir of the group and this was his right without accounting to anyone. I pledged my loyalty to him in 1974, and I continued to heed him and to be obedient until 1979.

"For 5 full years, we deluded ourselves that his group was the greatest of the groups, that many persons had pledged their loyalty to his leadership and that he was more deserving of succeeding to leadership than any other person."

Breaking His Silence

When there was mention of the money that he took from his followers with no accounting, al-Samawi broke his silence and began to speak. At the beginning he said: "Was I brought here to listen to insults about myself?" Dr 'Abd-al-Ghafter 'Aziz asked him: "Do you deny that?"

/Answer/ I am a prisoner; I cannot speak.

Shaykh 'Utiyah Saqr said to him: "No one is preventing you from speaking. Even if you convince us of your point of view and ideas, we will not follow you."

/Answer/ You hear the abuse against me, and you remain silent.

Hilmi al-Balk said to him: "This is your opportunity to state your views before the people. The television camera is recording this interview in sound and pictures, and it will be televised for the people.

/Answer/ You can accuse me of whatever you want, and believe it and accuse me of it.

'Abd al-Rahman said: "But God knows, you are still lying."

/Answer/ You are lying in what you say.

/Question/ Did you not say that this society is pagan?

/Answer/ I said that and stand by my opinion. I would welcome prison for that.

De 'Abd al-Ghaffar 'Aziz: "Is everyone an infidel that works in it?"

/Answer/ I will not answer that question.

/Question/ How can you be an advocate for religion? The advocate does not disavow his views.

/Answer/ I want to defend myself.

/Question/ This is contradictory. I came to see you in jail frequently, but you refused to talk.

Hilmi al-Balk said to him: "Has anyone pledged loyalty to you and obeyed the principles as 'Abd al-Rahman said?"

/Answer/ Tens of thousands of people in the mosques pledged loyalty to me, but I don't force anyone to be loyal to me.

The Way Out Was to Travel

Then Mustafa 'Abd-al-Majid Fayad, who was freed from his noose after having right from wrong explained to him, said: "Al-Samawi used to use pictures from movie posters and films shown on television to convince us that society was pagan. For that he used means of persuasion and did not dictate to us. That was because he knew that we accepted religion completely. Since I had no money, he did not ask me for any. He was content with my pledge of loyalty, with my work on his behalf, keeping away from the paths of Sufism. After 5 years of work, the only way out was for me to go to Saudi Arabia to work.

Pagan Companions

A question from Dr 'Abd al-Ghaffar 'Azia: "We would like to know the basis of your thinking, Mr al-Samawi?"

/Answer/ I will not discuss anything with you, so that you can't distort my words.

/Question/ No one will distort your words, because this is on television.

/Answer/ It is enough for the people to know that I call for what I know to be right. I have seen the signs of paganism spreading in this age, but I have accused no one personally.

/Question/ How can that be right?

/Answer/ The Prophet said to his companion, Abi Zur, at one of the stopovers: "You are a man in which paganism exists." A man might be a believer and still have hypocrisy in him. He might be a Muslim and still have something of the infidel in him. I say, displaying a characteristic is pagan, but I do not say that displaying oneself is atheistic. There are infidels who have nothing to do with God, and infidels who are not in that situation.

A question from Shaykh 'Utiyah Saqr: "What should we say about what your friend said about taking over the land in the desert?"

/Answer/ Many people expropriate land. We made it suitable for cultivation, and thus we owned it. What's the matter with that?

/Question/ Is that a confession?

/Answer/ I am not doing that.

/Question/ Did you work with your hands to reclaim this land, along with the young men whom you exploited?

/Answer/ I did not work, because I have a sensitivity to dust in my chest.

His friend 'Abd-al-Rahman said: "He left us to this work and would visit us every week or two. One time when we rebelled against this work and against this forced labor, his brother-in-law threatened us with a weapon."

Shaykh 'Utiyah Saqr said: "But you had seized land owned by the state/"

/Answer/ Many have done that.

/Question/ But does this agree with the teachings of religion?

/Answer/ But you will find texts in Islamic law that state that he who reclaims wasteland, owns it.

/Question/ That is not applicable. However, it is within the public system, and that is the legal guardian.

/Answer/ I only do what others do.

/Question/ You use the word paganism for whatever supports your thinking.

Despite the fact that Taha al-Samawi had sat through many previous sessions, he would not budge from his silence. However, at this session he was completely understood and he talked. His last words were: "This society is pagan, atheistic."

7005

CS0: 4504/314

LIBYA

GOVERNMENT REPORTEDLY BUILDS FOUR NEW 'DETENTION CAMPS'

JN221212 Khartoum SUNA in Arabic 1030 GMT 22 Apr 83

[Text] Tripoli, 22 Apr (SUNA)--Libyan authorities have built four new detention camps in various parts of Libya to act as centers where the foreigners working in Libya are collected and selected for the military service camps that are spread all over Libya.

SUNA special sources here said that one of these detention camps is al-Ghiran, west of Tripoli and 10 km from Mazra'at al-'Inab [vineyard]. It is run by Libyan officers under Lt Col 'Abd-al-Majid (Sulun Tarunma) near the city of Misratah (surt). [Sentence as received] in it there is a USSR military base. It is supervised by Col Hasan Ashkal. Another detention camp is al-Shuwayrif, 250 km south of Tripoli.

SUNA special sources added that these camps comprise citizens from several countries, particularly African and Asian countries, and that most of the detainees in the al-Shuwayrif camp are Asians.

The sources noted that al-Qadhdhafi opened these detention camps after the Libyans and foreigners abstained from joining the training camps. al-Qadhdhafi exploits the difficult conditions of some foreign workers in Libya by forcing them to go to these camps where they are sorted out to join the training camps.

SUNA sources added that since the establishment of these detention camps, the Libyan authorities have been carrying out regular campaigns against foreign workers, dismissing thousands of them for no reason and arresting the unemployed ones and sending them to detention camps where the selected ones will then be forced to join training camps. These sources stressed that severe measures are adopted against anyone who resists the Libyan orders. These include torture and physical liquidation. The sources indicated that some time ago a Sudanese citizen named Hamad Khatir Sharaf-al-Din was killed after ugly torture in the al-Ghiran camp.

CSO: 4500/204

MOROCCO

BRIEFS

NEW POLITICAL PARTY--Rabat, May 6 (MAP)--New Moroccan political movement called "Organization of Democratic and Popular Action" (ODPA) (progressive) was officially authorized, it was announced here. According to observers, the status of the new party was lodged last January and its authorization occurs at only eleven days before the closure of the lodgement of candidacies for the upcoming communal and municipal elections scheduled for June 10. The party's program comprises the struggle for Arab unity and for "democratization of the political, economic and social life of Morocco." [LD070333 Rabat MAP in English 1249 GMT 6 May 83 LD]

CSO: 4500/206

AL-QADHHAFI'S PLOTS TO SUBVERT NUMAYRI REGIME EXPOSED

Cairo AKHIR SA'AH in Arabic No 2525, 16 Mar 83 pp 16, 17

[Article by 'Adil Rida: "New Details on Abortive Plot Against Sudan; Expected Libyan Plotting: Where Does It Come From and How Does It Take Place; Full Story of Deteriorating Sudanese-Libyan Relations"]

[Text] Those in the Sudanese capital who believe that the Libyan regime is preparing for a new plot against Sudan's security and stability have the evidence and the proof to support their views, including:

1. The fearful facts revealed by the interrogation of the Libyan agents among the members of the so-called revolutionary committees who were arrested after infiltrating into Sudan from neighboring capitals and whom it has been decided to refer to the courts on charges of preparing political assassinations and physical liquidations and of engaging in acts of sabotage inside Sudan with the aim of destabilizing the national regime and of serving the interests of a hostile state.

The confessions of the detainees, which accord completely with the information of Sudanese security agencies, have helped expose the real dimensions of the plotting and the circles participating in it. One of the confirmed facts is that these agents and mercenaries received military training in Libya and Syria from foreign experts specializing in sabotage. Another confirmed fact is that their goal was to spread chaos in Sudan, prepare the groundwork for an armed invasion and for the forceful seizure of power and then turn to the south to undermine its stability. It has also been confirmed that Libya recruited a foreigner, called David, living in a neighboring African country, to create with his aides a climate of chaos in the south and that he had been paid vast sums of money. But their scheme and the dimensions of the game prepared for the south were exposed.

2. The Libyan regime's continued gathering and recruitment of the minority opposing the national regime in Sudan, showering this minority with money and training it in terrorist and sabotage acts in camps set up especially for the purpose. It is well known that the Libyan regime declared officially at the Libyan People's General Congress, which was held in Tripoli last February, the Libyan Government's intention to topple all regimes opposed to al-Qadhdhafi and harboring Libyan opposition.

3. It has been proven by the documents obtained by the Sudanese security agencies that the Libyan regime is planning a new plot against the Sudanese people similar to the plot perpetrated in 1976 that claimed the lives of hundreds of innocent citizens. The Sudanese security agencies have been watching for some time the Libyan regime's constant plotting against Sudan. This regime has been setting up training camps in Libya and in countries neighboring Sudan to train the misled under the command of unsuccessful officers and politicians, such as 'Abdallah Zakariya and Ya'qub Isma'il. The Sudanese agencies continued to watch the movements of the so-called opposition leaders abroad, such as Ahman Zayn Al-'Abidin, 'Abd al-Majid Abu Hasabu and others, between the European capitals and Libya. It became evident the Libyan plot--a plot that failed before it even started--was based on taking advantage of Friday, the weekend holiday, to guarantee the presence of the political leaders and others at their homes in the early hours of the day so that they could be liquidated silently with knives if the infiltration succeeded and with bullets if signs of resistance materialized. The plot also called for occupation of the main bridges and streets and for the intentional shooting of a large number of civilians, their bodies to be left in the streets to create a climate of panic to paralyze any resistance on the part of the masses and then for occupation of the armed forces' camps using the element of surprise. Upon gaining complete control, an announcement was to be made on the establishment of a new regime and this regime was to ask for immediate Libyan intervention with fighter and bomber aircraft. The elements trained by the Libyans were then to be installed in key positions.

4. As for southern Sudan, a plan had been drawn up by the Libyan leadership to control and subjugate it by force. It has become evident to the Sudanese security agencies that the incident that took place in (Aryat) was perpetrated by the Libyan regime and was to be a prelude to similar incidents in the south. Aryat is a village in the south whose citizens had been subjected to an attack by a number of outlaws. Even though outlaws in some parts of southern Sudan are used to attacking the citizens and stealing livestock and goods, the latest incident, in its dimensions and method, provided an indicator before which the Sudanese authorities paused long after investigations had made it clear that there were foreign hands behind it and that the Libyan regime had been involved in planning, arming and recruiting for this incident. Other incidents were anticipated in the south and were quickly uncovered and foiled.

5. The cables exchanged between al-Qadhdhafi and his agents in Khartoum, the latest being the cable in which al-Qadhdhafi instructed his agents to postpone the movement to a later time, have revealed interesting facts regarding the anticipated plotting. The stunning surprise lies in the fact that al-Qadhdhafi did not know that his intentions and moves were falling into the hands of the Sudanese authorities on the spot and that the entire scheme was known to the Sudanese security agencies. The seizure of the ship loaded with thousands of light weapons, which was scheduled to anchor along a deserted coastline north of Port Sudan, means that whatever had been conveyed to the agents was known.

6. It is evident that the Sudanese security agencies have been alert for a long time to al-Qadhdhafi's movements. With the experience they have gained in dealing with the Libyan regime, these agencies realized that repeated failure would not dissuade it from repeating its attempts. The agencies have monitored serious information, some of which they are not eager to make known and some of which is being circulated by political circles in the Sudanese capital, including:

A. The movements staged by the Libyan Embassy in Nairobi to attract some dissident southern groups.

B. The movements of the hostile elements in the neighboring countries, including the establishment of training camps with Libyan aid and weapons.

C. The constant attempts to recruit Sudanese citizens to join the ranks of the "revolutionary committees." These attempts have been going on for some time, using concerted pressures on the Sudanese teachers in Libya and trying to induce other Sudanese citizens living in the neighboring capitals.

D. The attempts to gather the remnants of the National Front, which began to weaken after the death of al-Sharif Husayn al-Hindi and the disagreement that erupted among the front leaders over dividing the inheritance.

E. The arrival of assassination teams in Madrid, Paris and London in preparation for carrying out liquidation operations against the Libyan opposition elements in Sudan and other countries. Information was received to the effect that these teams had received special military training at a camp 40 kilometers west of Benghazi and that they included 35 Sudanese, 150 Libyan, 13 Ethiopian and 7 Tunisian elements. The elements supervising the training of the teams in Libya included 2d Lt 'Abdallah al-Sawkani, Lt Miftah Ballut and Lt 'Umar al-Qamati, as well as the Sudanese elements Sayf al-Din Muhammad 'Umar and 'Abd al-Haqq 'Awad 'Abd al-Haqq, a retired air force sergeant.

F. A Sudanese official has revealed to AKHIR SA'AH that the Sudanese authorities had gathered all the details concerning the underground Sudanese revolutionary committees existing in Libya. These committees form an organization that believes in the third international theory and in all three parts of the "Green Book." The Libyan authorities had engaged in extensive recruitment campaigns among Sudanese elements living in Libya and were able to recruit 150 Sudanese who were trained at al-Rawd camp on the Sudan highway in Tripoli. Their training was supervised by Muhammad Lutfi Farahat, 'Abdallah al-Kaylani and al-Shaykh al-Na'as. A number of these committees were assigned to go to Sudan to mobilize public opinion and instigate the people against the government. This group started carrying out the operations entrusted to it. But then its members were arrested and most of them have confessed that they had received military training in assassination in Libya, that they were assigned to assassinate President Numayri and high-ranking officials and that they brought with them RPG shells and Samsonite suitcases primed with TNT. Olive cans bearing the name of the Libyan Jamahiriyah and containing explosives were also seized with the group.

Plot Is Coming

For all these reasons and others, many believe that the Libyan plot is expected from day to day, even from moment to moment, and that exposure of the latest plot means no more than postponement of the operation whose exposure has stunned the Libyan regime. They also say in Sudan that Colonel al-Qadhdhafi, now that his new plots against Sudan have been exposed and nipped in the bud, has begun to play his well-known game of clamoring and making false accusations against Sudan.

I ask in Sudan: But why the constant Libyan plotting against Sudan? What are al-Qadhdhafi's real objectives in the area?

The answer comes: Since the May 1969 revolution erupted, declared and implemented its plan to create a strong and united Sudanese entity and announced that solving the problem of the south was one of its starting points for rescuing Sudan from the dangers that were threatening it and for transforming Sudan's capabilities so that it might perform its natural role in cementing Afro-Arab cooperation, and since the May revolution succeeded in putting an end to the unjustifiable bloodshed of the Sudanese people in the south and began to approach the Arab and African sides, extending its hand to all its Arab and African brothers so that they might bolster its victory against the forces of disruption and enable it to play its role--since then and since the time al-Qadhdhafi assumed power in Libya, which is tied to Sudan by the bonds of neighborhood and by blood relations and intermarriage between the Sudanese and Libyan tribes living on the two countries' borders, the situation has been tense in varying degrees of intensity.

How?

Sudan expected al-Qadhdhafi (who had declared his unionist tendencies, his progressiveness and his readiness to support all Arab and African causes) to support and bolster it in the issues of political stability and economic growth. Sudan also expected that the two countries together would at least achieve a program of economic and political cooperation and integration that would serve the causes of political stability and economic growth in both countries. But a review of al-Qadhdhafi's dossier in Sudan confirms the exact opposite. A review of the successive facts and events reaffirms this fact.

Once again I ask: How?

The answer comes as follows:

1. After long discussions on a project for a cooperative production unit beneficial to all parties of the Tripoli charter--a unit that would utilize Libyan financial resources, Egyptian scientific expertise and the production capabilities of the vast Sudanese lands that are enough to feed Africa and the Arab world--after those lengthy discussions, al-Qadhdhafi buried the project because he could find nothing in it that advanced his base ambitions and aspirations.

2. Al-Qadhdhafi believed that he was entitled to drop in on Sudan at any time and without requesting the permission of the Sudanese. In May 1972, al-Qadhdhafi dropped in on the Sudanese as if he were the master of the house, proceeded to al-Khalifah Square in Omdurman (Sudan's national capital) and stood there delivering an hours-long speech in which he enumerated the races, counted the relations and provoked disagreements. Al-Qadhdhafi thought that he was entitled to inject himself into Sudan's internal affairs, especially in the conflict that was going on in the south. In his book "Why The Islamic Path," President Numayri refers to this issue saying: "The reason for the disagreement between me and one of the brothers in the Arab nation (Mu'ammarr al-Qadhdhafi) is that he thought that the path to unity with Sudan passed through southern Sudan and that he possessed the money and the ability to enable us to overcome the issue with oppression and coercion. I told him at the time that the Sudanese, and I am one of them, will not permit any foreign element to interfere in Sudan's affairs."

What is surprising and suspicious is that al-Qadhdhafi did not try in this respect to confine himself to the attempt to antagonize Numayri against the southerners but also tried at the same time to urge the southerners to carry on with their rebellion and fight against their northern brothers. A former member of the Libyan Revolution Command Council who accompanied al-Qadhdhafi on one of his trips to Sudan has revealed that while al-Qadhdhafi was instigating President Numayri against the southerners and urging him to use force against them, he was secretly gathering the southern leaders and urging them to continue their rebellion.

3. After the start of the estrangement between himself and President Numayri, al-Qadhdhafi tried to encourage and instigate student riots in Sudan in 1973. In September 1975, al-Qadhdhafi offered all the backing he could to an abortive coup attempt against President Numayri.

4. At the beginning of 1971, al-Qadhdhafi advanced a loan of \$7.5 million to Sudan at interest. When the estrangement between him and Sudan began, he imagined that he could exert pressure on Sudan by demanding that it repay the loan immediately, totally disregarding the agreement concluded. What Sudan did was to return al-Qadhdhafi's dollars to him. President Numayri launched what became known as the "piaster-of-dignity" campaign and all groups of the Sudanese people, including school children, hastened to contribute to the campaign. Al-Qadhdhafi's dollars were returned and the Sudanese people preserved their dignity and pride.

5. He has respected none of Sudan's sanctities. Even Sudan's air space has not escaped his violations and his false allegations. Referring to this in his book "Why The Islamic Path", President Numayri says: "It was early evening when the telephone rang in my home to tell me that the aircraft of a sisterly country--Libya--had entered Sudanese air space without prior permission and that in accordance with the law, the authorities concerned asked the aircraft to land, only to find that they were carrying weapons, military equipment and military personnel of various ranks and that they were on their way to an African country bordering Sudan (Idi Amin's Uganda)." President Numayri adds: "The decision was taken to host the aircraft and

their passengers until they were ready to take off again and go back where they had come from." The International Aviation Organization has registered numerous official complaints by Sudan against al-Qadhdhafi for his violation of Sudan's regional air space without prior permission.

6. Then followed al-Qadhdhafi's biggest crime against the Sudanese people through his perpetration and financing of the second attempt to invade Sudan in July 1976. Al-Qadhdhafi in this attempt used elements of the Sudanese opposition and some mercenaries he had gathered and trained in Libya. That invasion claimed as its victims hundreds of innocent Sudanese citizens who were killed or wounded. In the wake of the invasion, Sudan severed diplomatic relations with the Libyan regime.

7. Since 1978, when Sudan succeeded in achieving national reconciliation with various opposition elements, al-Qadhdhafi has been trying by every means to spoil this reconciliation by subverting some of its elements. But it seems he has not succeeded and has thus contented himself with embracing the group of al-Sharif Husayn al-Hindi and training its members, along with a number of tribes living on the Sudan-Chad border and some Sudanese citizens working in Libya, through the use of various threats and inducements.

8. Since 1981, al-Qadhdhafi has adopted a policy of blockading Sudan economically and starving it. This policy is pursued by exerting enormous pressures on Sudanese working in Libya and denying them their legal rights. Moreover, al-Qadhdhafi's agents in Sudan have purchased large quantities of foodstuffs and essential supplies and damaged them in various ways for the purpose of creating unrest in Sudan. Referring to this, President Numayri has said: "The Libyan sabotage attempts against the Sudanese people reached the point where the Nile has become the graveyard for tens of tons of vegetables, meat and other goods purchased by al-Qadhdhafi's agents with the purpose of creating an artificial food supply crisis."

9. In the middle of 1981, when Sudanese authorities arrested an agent of al-Qadhdhafi who had staged an explosion in the Chad Embassy in Khartoum, killing two and wounding two others, Sudan deported a number of Libyan diplomats (who had returned to Khartoum on the insistence of al-Qadhdhafi after the severance of relations). Sudan also shut down the offices of the LIBYAN NEWS AGENCY and recalled its ambassador from Tripoli.

Subsequent investigations revealed that this agent was connected with some members of the opposition who belong to 'Abdallah Zakariya's movement and who were trained at the 7 April camp in Libya.

10. One of a number of outcomes of al-Qadhdhafi's policies concerning the Sudan and specifically toward the refusal of the majority of Sudanese citizens who are residing in Libya to go along with his luring tactics and his threats was that a number of those individuals died as a result of torture and under mysterious circumstances. They included: Abu Bakr Adam Salih, killed in August 1979; Muhammad Sharaf al-Dim, killed in August 1978; and Muhammad Khatar Yahya, killed in May 1981.

11. In 1981, Sudanese security authorities seized documents proving that al-Qadhdhafi was planning to carry out assassinations and acts of sabotage and was preparing a plan using mercenaries who were to be sent across the desert to attack the broadcasting station, blow up bridges and sabotage power plants in Khartoum. He was also preparing to form a Sudanese government in exile that was to ask him to help it topple the Sudanese regime.

12. The Libyan Army's intervention in Chad in 1981 enabled Libya to threaten a number of countries that al-Qadhdhafi's policy had sought to pressure, such as Sudan, the Central African Republic, Cameroon and Nigeria. This situation tempted al-Qadhdhafi to intensify his efforts against Sudan in order to undermine its stability. These efforts were not confined to al-Qadhdhafi's constant campaigns to fan the fires of sedition and tribal conflicts in the provinces of Kordufan and Darfur in western Sudan, where al-Qadhdhafi used funds and weapons and sent his agents and saboteurs to try to ignite the fires of hateful racism among Sudan's various parties and groups. After the entry of al-Qadhdhafi's army into Chad, his efforts went beyond that and he used his aircraft to raid peaceful Sudanese villages and towns in western Sudan. From the middle of September to the middle of October, 23 raids were launched against villages and military positions in western Sudan.

13. The year 1981 also witnessed al-Qadhdhafi's hostile step against Sudan, embodied in the establishment of the alliance between Libya, Ethiopia and South Yemen--an alliance built on specific goals against Sudan, Somalia, Oman and Egypt. After the establishment of this alliance, the Ethiopian capital was swamped by al-Qadhdhafi's agents and mercenaries, who were supplied with money, equipment and all the instruments of sabotage. The Ethiopian-Sudanese borders witnessed concerted activity by al-Qadhdhafi's intelligence against the southern Sudan. A Libyan aircraft carrying weapons and equipment to the mercenary camps in Ethiopia crashed.

14. Probably the most dangerous thing done by al-Qadhdhafi was his planting of the seeds of doubt in the minds of Sudanese authorities against many citizens returning from Libya in the wake of a confession by 10 communists that they had been recruited by Libya and trained by Soviet intelligence experts (KGB) to carry out sabotage activity in Sudan. The Sudanese security authorities were compelled to adopt strict measures against all Sudanese returning from Libya, especially after they had discovered attempts to smuggle weapons into Sudan via Khartoum Airport, including a weapons shipment which arrived at Khartoum Airport inside a coffin carrying the name of a Sudanese expatriate in Libya. The surprise came when the expatriate returned to Khartoum a week after his coffin. When the security forces dug up the grave, they found no coffin.

In a speech on 7 October 1982 on the occasion of the so-called revenge day, al-Qadhdhafi conveyed his congratulations on the success of the underground revolutionary committees' experiment in Sudan. He made this statement at a time when Sudanese authorities were pursuing and seizing all the threads of the plot and arresting members of the so-called revolutionary committees who

had received military training in Libya and Ethiopia and who had attended ideological courses about the third international. Al-Qadhdhafi and his gang recruited Sudanese citizens and sent them to Sudan to carry out the tasks entrusted to them.

Reasons for Plotting

If this record of al-Qadhdhafi's actions against Sudan reflects his base hatred toward Sudan, the question raised with surprise and amazement is: What are the reasons for this hatred toward Sudan?

The answer comes from the Sudanese capital: In addition to the role al-Qadhdhafi plays in serving imperialist ambitions and aspirations in Africa and the Arab world, there are other characteristics and secrets concerning the reasons for the malicious conspiratorial role al-Qadhdhafi plays vis-a-vis Sudan. These reasons can be summed up in the following:

First, al-Qadhdhafi thought, on the basis of his own calculations, that Sudan, with the economic problems saddling it, would be a soft morsel and easy prey for his aspirations and ambitions, both in Sudan and at the Arab and African levels. He imagined that with the backing he had given the May revolution in its early struggle against the communist gang, he could impose his custodianship over this revolution and its leaders and could interfere in Sudan's domestic affairs to the extent he wished. Acting on the basis of this faulty belief, al-Qadhdhafi visited Sudan invited and uninvited, made his irresponsible speeches in Khartoum's squares and suggested the use of force to solve the problem of the south. This is also why his planes, loaded with weapons and troops, violated Sudan's air space without permission.

Al-Qadhdhafi was surprised by Sudan's and its leaders' rejection of his custodianship, hence his constantly recurrent wrath, malice and plotting against Sudan.

Second, Egypt was also the subject of al-Qadhdhafi's aspirations and ambitions. When he realized that Egypt was beyond his childish plans for unity and federation, he imagined that he would find in Sudan consolation, a replacement and a path to surround Egypt and penetrate its southern borders or to reach the sources of its Nile. But he has only found from Sudan the neighbor's loyalty and the brother's commitment to Egypt. This is another reason for his malice against Sudan and its leadership.

Third, some major powers have exploited al-Qadhdhafi's hatred for Sudan and have worked to deepen this hatred and to furnish it with the means to continue.

Fourth, we have seen al-Qadhdhafi's ambitions and aspirations topple a number of African regimes and set up on their ruins an empire submitting to his commands. The Sudanese leadership's early awareness of this fact and its rejection of al-Qadhdhafi's plots have also been one of the reasons for his hatred for Sudan.

Fifth, one of the goals of some of the major powers in Africa was to set up a wall of isolation between the various countries of the Arab world and to implant the seeds of suspicion and sedition among them. Al-Qadhdhafi's efforts served this goal.

Readiness for Retaliation Is There

The general feeling in Sudan is that al-Qadhdhafi's plotting against the country will not stop. Consequently, there is constant readiness to confront any eventuality. President Numayri declared very clearly to the Sudanese Socialist Union's fourth congress, held in Khartoum a few days ago, that:

Sudan under his administration will remain a force for peace and moderation and a force for stability and steadiness in our mother continent, Africa, and in the Arab world. Sudan will continue to bolster its neighborly relations with its neighbors. We will not interfere in the affairs of others and will not accept their intervention. We will not fabricate axes of provocation and conflicts, and will not succumb to blackmail and will not be frightened by conflicts. The Sudanese people will never succumb to adventurers, mercenaries and lackeys, and we will fight with all our might attempts to undermine Africa's unity, shake its stability and ensnare it in the pitfalls of foreign influence and domination.

To conclude, numerous grave secrets behind the abortive plot against Sudan have been exposed.

8494

CSO: 4505/273

TORTURE AND DETENTIONS CONDEMNED BY HUMAN RIGHTS LEAGUE

Tunis AL-MUSTAQBAL in Arabic 17-23 Feb 83 pp 1,3,4

[Article: "Human Rights League Demands Release of Detainees and Organization of National Campaign to Denounce Torture"]

[Text] In accordance with the recommendations of the recent national congress of the Tunisian League for the Defense of Human Rights, its executive body held an informational session on Saturday, 12 February, at the headquarters of the Engineers' Federation in the capital city to study the legal, humanitarian and political aspects of "the circumstances of detention and torture" in the presence of a number of members of the executive body.

Dr Hechemi Ayar chaired this meeting which was attended by the following members of the executive body: Dr Mahmouda Ben Slama, secretary general of the league; Mrs Hala Abdeljaouad; Souad Zemni; Mohamed Chargui; Bounir Beji; Slaheddine Jouchi; and Khemais Chamar.

At the outset of the session, Dr Hechemi Ayar read a statement in the name of the league, in which he mentioned the efforts the league had made to get recognition of citizens rights and respect for the law, particularly after the complaints received from the families of some of the political prisoners, both before and after the events of 26 January. Dr Ayar stated that the Tunisian League for the Defense of Human Rights [TLDHR] had on a number of occasions protested the methods used by the Tunisian police with political defendants and which violated public rights. In their investigations [TLDHR] discovered that instead of relying on evidence the prisoner was always tortured in order to obtain confessions which were then used as evidence against him by the investigating magistrate and within the court. Dr Hechemi Ayar added that the league's executive body had noted some improvement in relations between it and the authorities, particularly the Ministry of Interior, since this ministry had recently authorized a program to improve prison conditions. The league is still adamant about the necessity for legally defining the length of the period of preventive detention and for passing legislation similar to that in effect in some advanced countries, such as France and Switzerland, which requires that a prisoner see a doctor 24-48 hours after his detention. The league also urges that the investigating magistrate himself handle the interrogation of the defendant, confining support to the police by the juridicial deputies to extraordinary circumstances, noting that the defendant's lawyer should be present.

After Dr Ayar reviewed the most important cases of the past 7 years, he closed by expressing optimism about a developing awareness of the need to defend human rights and over the accomplishment of some results, including the detention of two officials for neglect over the death of a citizen who had been detained in al-Zahra'.

Detention and Torture From a Legal Standpoint

Prof Abdelwahhab Bahi then spoke, taking up the subject of detention and torture from their legal standpoint. After mentioning that Tunisia is on the blacklist of Amnesty International as a country which uses violence against its citizens, he turned to the crime of torture committed by an official in performing his function, covering it from two angles; first, the legal definition of torture through international legal treaties and Tunisian law, and secondly, the special frameworks for considering it on the international and national levels.

Prof Bahi pointed out that international penal legislation did not specify the crime of torture and its required penalty and so this crime had fallen within the framework of attacks on personal freedom or violent attacks. He said that some experts had tried to establish a legal definition of this crime and there had been discussion of where it was similar to and different from those two crimes.

The UN has given this issue the importance it merits and has viewed torture as a crime by itself through Section 7 of its statement dated 9 December 1975, defining it as "any practice imposed on a citizen designed to obtain a confession about the particulars of crimes which have been or will be committed" whether physical or mental and viewed it as essential to deter its commission.

International agreements, including the Geneva convention, the international human rights charter (Section 5) and the Arab agreement on human rights (Section 5), have banned torture.

The Tunisian criminal code is not specific about the crime of torture. The only provision is Sections 101 and 103 on punishments involved when a public official commits the crime of violent assault or if he compromises an individual's freedom while performing his function. Since there is nothing specific about the crime of torture in the Tunisian code, jurists, and lawyers in particular, have felt that Section 101 concerns physical torture while Section 103 concerns mental torture by the police of a defendant whenever he is forced to give information to the police. Prof Bahi noted that there is a gap in the Tunisian code in addition to the foregoing, namely, that legislation has permitted the use of force if there is a "justification," since there is a difference between legal defense and legal justifications. This gap could allow a person who commits torture to escape punishment. Also, those two sections do not apply to the militia, the personnel of which have tortured citizens, since they are not officials. Prof Bahi stated that cases involving torture which have been submitted to the courts failed because of the dominance of the executive authorities over legal authorities.

Based on the foregoing, Prof Bahi urged a review of legal provisions approved to date and urged that the crime of torture be considered an independent crime and that its perpetrators be checked.

Before opening things to debate, Khemaïs Chamari spoke, mentioning the league's efforts in the issues that had been raised, particularly in recent times, such as torture, illegal means of detention, detention of hostages and searches of residences without legal authority. He said that some of the victims of these offenses had contacted brother Hamouda Ben Slama, secretary general of the league, to inform him that such offenses had taken place, and that the league had instructed Mounir Beji to keep in constant touch with the Ministry of Interior to inquire about such practices which run counter to the principles of public and individual freedoms.

Debate

Those taking part in the debate make particular reference to the recent wave of detentions in the ranks of the left and the Islamic tendency and some secondary professors. One of those participating said that the news campaign by the league and also the campaign launched by some opposition and independent papers had had a positive effect since the police officers had begun to display their identity cards and issue summons to the defendants in contrast to earlier detentions, which had targeted a number of persons from the Socialist Left Grouping, and which had been carried out in an illegal manner. The same speaker advised that the charge directed at the members of the group of "maintaining an unauthorized organization" is false since they had decided to establish an overt political organization within the framework of the law on associations (Law 59) despite its limited and unconstitutional nature. He felt that the recent detentions were aimed at prosecuting ideas within the framework of a policy directed at depriving citizens of their freedom of thought, assembly and organization. He asked the TLDHR to form a permanent committee to support the detainees until it is possible to get through this current situation in which there is no legal framework for taking this action.

Another speaker referred to what the committee, formed within the framework of the league in 1980, had done with regard to the general legislative amnesty. He stated that this committee had prepared an additional report on torture, mentioning the names of the citizens who had been its victims and also the names of the ones who had imposed it. He said that the league should publish the report as it did with regard to the Blue Oil case [as published] so that the strugglers in the league and citizens could read it. He added that torture is not only practiced against political prisoners but against all citizens, as during "al-rafil" operations and that the struggle against this phenomenon requires real involvement since by merely continuing to look on, without reacting, when a citizen is being oppressed during such an operation, means such operation will go on. The speaker felt that it is not enough to hold one meeting a year about this issue; rather, rejection of these practices should be an ongoing action.

The speaker recalled that the authorities had refused to grant some citizens permission to form a branch of Amnesty International even though this organization has branches in most countries of the world.

List

Following the debate, Dr Mahmouda Ben Slama, secretary general of the league, ended the meeting and responded to points of order. He then read a proclamation expressing the position of the league's executive body regarding the detentions which had occurred recently in the ranks of some political orientations, the text of which follows:

In recent days and weeks there have been numerous and widespread detentions and interrogations among the ranks of a number of political and intellectual orientations in the country. This has aroused the concern and denunciation of the TLDHR because this involves:

1. A new attack on human rights and basic freedoms as guaranteed by the constitution of the country, particularly in Section 8 which involves freedom of assembly and freedom of opinion and expression.
2. Threats of a return to rigid practices which the country endured in the past and which all democratic forces opposed.

The wave of arrests and interrogations which could lead to new trials of individuals for exercising their human rights, threatens even the limited gains which have been the result of the struggle waged and continued by these democratic forces. This wave will also create a harsh public political climate that could pull the country into a crisis and into quarrels as happened in the past.

The league's concern over and denunciation of this situation is emphasized by its having learned about the occurrences of illegal inhumane detentions, of the arrest of relatives as a way of applying pressure, and possible harsh treatment and torture of some defendants about which complaints have been submitted to the league by some families and lawyers of detainees.

The TLDHR in recalling and reaffirming its positions and proclamations which reject and denounce all violations of basic rights and freedoms and any harm to a person and the honor of individuals;

1. Demands the release of individuals who have been detained because they were exercising their political rights and further demands a halt to all judicial actions against them.
2. Demands the speedy promulgation of a law defining and limiting the conditions for and length of preventive detention in a manner as to ensure the rights, honor and physical safety of a suspect until there is an end to the harsh and illegal practices marking the current circumstances of detention and interrogations in a number of instances.
3. Demands a challenge to the harsh treatment and torture, particularly by organizing a national campaign to denounce this plague and prosecute the perpetrators.

ISRAELI ATTITUDES ON SHULTZ VISIT SURVEYED

TA271530 Jerusalem KOTERET RASHIT in Hebrew 27 Apr 83 pp 11, 43

[Commentary by Yisra'el Segal: "The Rapist Who Is Raped: Shultz Came to Establish Order"]

[Text] U.S. Secretary of State Shultz and his hosts in Israel have a common denominator: Both sides would have been more content if the visit had not come about. It is no secret that up to the last moment there was a harsh argument in Washington around the visit: Shultz was one of its firmest opponents. The U.S. secretary of state who conceived the idea of Reagan's political plan was gravely offended following King Husayn's refusal to jump into the cold water of the negotiations with Israel. U.S. administration circles and the communications media harshly criticized Shultz, who, it was said in the criticism, need not have given life to Reagan's peace dove, sending it into the Middle East is air before he carefully examined with all parties concerned whether or not there is a chance it will be adopted.

Following the rejection, both by the Israelis and the Arab countries, Shultz has become more cautious. He did not want to go on his first Middle East tour before the political conditions for its success are created. However, this week when he began his political talks in the region, he knew better than anyone that the chances for their success are very slim. What made Washington decide in favor of the political visit was the tension between Israel and Syria which mounted up to the threshold of war and, what is more important: the increasing Soviet involvement in the region and the possibility that it will give a free hand to the Syrians to fight a limited war.

Menahem Begin's cabinet members would also have been satisfied if Shultz had not come. They find themselves in a catch-22 situation: It is not simple to let the secretary of state of the only friendly superpower visit the region and leave again without any agreement between Israel and Lebanon. What will the price be?, political circles in Jerusalem wondered. Would Israel not have reached a better agreement as far as it is concerned if it could clear things up in Khaldah and Qiryat Shemona before Shultz's arrival? Foreign Ministry Director General David Kimche said privately this week that he does not understand why the government does not decide for or against an agreement: "What else can be done in the negotiations?" he wondered.

The irony of the present situation is that the present participants in the peace farce [last word in English] have not created it. A senior Israeli official said on this: "The situation we find ourselves in today is the result of dreams woven by Israel and the United States at the time, dreams that it is now time to shake off. Here Ari'el Sharon dreamed the idea of the Israeli empire, an illusion that we will establish a new order in the region. As for the Americans, the great dreamer was first Alexander Haig and then Philip Habib himself: Maybe due to his personal background he thought it was possible to establish the Free Lebanon. When Shultz arrived the moment of truth also arrived.

A senior source participating in the negotiations told KOTERET RASHIT that the great sobering-up took place in the present defense minister's mind. Arens wants to get out of Lebanon and is willing to compromise. "Moshe Arens (so says a person who frequently meets with Arens) acknowledges the fact that Israel has nothing to look for in Lebanon, due to the heavy price we pay in blood for our stay there. In addition, Arens is truly apprehensive about the Soviet presence in the region. He is aware of the fact that in recent weeks Soviet advisers are present in Lebanon and that at any moment there may be a match to light the tinder box."

One of the IDF major generals told KOTERET RASHIT this week: "The Syrians learned the lesson we learned after the Yom Kippur war. They were surprised when we launched the Peace for Galilee campaign. They understood that the Jews are clever. They sit 25 km away from Damasucs, best the Syrians in the air and on the ground and sit in Lebanon. The Syrians are reinforcing their units now." Do they want war now? "No, the major general replied, they are establishing a defensive system.

Prime Minister Begin is also more sober now than before. A long time has passed since the time when he sketched the borders of the peace region on a television broadcast: "From Lebanon in the north to Egypt in the south." Moreover, Begin, in the opinion of people who follow his private reactions, would now like to be persuaded that it is necessary to withdraw from Lebanon in return for minimal security arrangements. He wants to end the war, but as is his wont, he prefers to be raped and compelled by the professional levels. When Begin appeared in the Mount Herzl cemetery on the Day of Reortpve, the emergency team in a special ambulance placed nearby was reinforced: according to one of his aides, Begin was afraid that some bereaved parents would initiate cat calls against him, as was done at the time to Moshe Dayan and later to Ari'el Sharon. There were no such shouts, but the prime minister as well as many of his ministers are afraid that the end has come to his dream of peace with a second Arab country in the region and that "everything should now be done to ensure that we do not sink further in the Lebanese mud," as one of the senior ministers put it.

This week, when ministers Aharon Uzan and Mordekhay Ben-Porat submitted their proposal for a unilateral withdrawal from Lebanon to the 45-km zone, Foreign Minister Yitzhaq Shamir and his deputy, Yehuda Ben-Me'ir, set sharply against them. Shamir is not prepared to take a position, to align himself behind Arens and rescue the Israeli wagon from the Lebanese mud. "Instead of adopting an initiative as called for by his position," one of the ministers said this week, "Shamir prefers to let others burn their fingers in the signing of a minimal agreement. Maybe it is for this reason that he does not want to be depicted as a defeatist in the eyes of the hawks headed by Ari'el Sharon."

And, indeed, this week Sharon cast his distinct shadow on the government. For the first time since he was dismissed as defense minister, Sharon has strengthened his status as the most rightwing element in the government on Lebanon. He repeatedly demands in cabinet meetings that a paper be placed on the table showing the present state of the negotiations. Such a paper will serve him as a tool for an attack on the entire cabinet, including Defense Minister Arens for abandoning security interests and giving up the political achievements. It is precisely for this reason that Arens refrains from submitting such a paper. Shamir, as is characteristic of him, stands on the side and waits to see what decision is made. He is not prepared to initiate his own moves, to propose ideas or formulations which will make the conclusion of the negotiations easier. "Only imagine to yourself, a senior Foreign Ministry official said this week, the late Moshe Dayan is Shamir's place now. He would have had many ideas for a solution."

Shultz's visit to the region also marks the end of Philip Habib's mediation and an expression of the recognition that it is impossible in the near future to establish a Free Lebanon which will be under U.S. control. Habib has believed, since the beginning of the negotiations that it is possible to reach an Israeli-Lebanese agreement even without Syrian support. In actual fact he opened a large gap which invited the Soviets in. The Soviets' influence did not only not decrease after the war, but increased further.

A paradoxical situation has arisen: If a real agreement is signed between Israel and Lebanon, then Lebanese sovereignty will be infringed upon by Israel and the Syrians will then heat up the front with the aid of the Soviets. Habib hoped that the Israeli-Lebanese negotiations would be a point of departure for the negotiations between Lebanon and Syria, but only if such an agreement is empty and insignificant is there any chance for Syria to put up with it. In any other case, it will reject it outright.

CSO: 4400/315

ISRAELI 'DEFENSE' ORGANIZATION ACTIVE IN WEST BANK

TA051816 Jerusalem Domestic Service in Hebrew 1700 GMT 5 May 83

[Text] For about 2 weeks a secret Jewish organization has been active in Judaea and Samaria, sabotaging and damaging Arab inhabitants' property in reaction to attacks against Jews. The organization, which calls itself The Defending First [Egrov Hamagen] has taken upon itself the responsibility for at least three attacks that have occurred in the territories. Here is a report by our correspondents Arye Gus and Shalom Oren.

[Gus--live or recorded] More than once over the last few months several of the heads of the settlements in Gush 'Etzyon and Qiryat Arba' have said that they will not restrain themselves about repeated attacks, mainly against public and private traffic of Jews in the territories. The same people told us that their patience had come to an end and that they too would attack Arab vehicles.

Over the last few weeks a body calling itself The Defending First has organized and is acting immediately after attacks against Israeli vehicles. People from Judaea and Samaria with whom I spoke about this topic told me that this was a noninstitutionalized organization of individuals in the settlements of Gush 'Etzyon, Qiryat Arba' and the southern Hebron Hills and that they would act as long as public transport in Judaea and Samaria was harmed. These people, who refused to be identified, told me that there are also Arabs in the group, who are working for payment, and that the actions taken by the group are helping to calm down the situation in Judaea and Samaria. There is severe criticism in the settlements in Judaea and Samaria against the security authorities who are not, according to them, doing enough to safeguard the Jewish inhabitants of Judaea and Samaria.

[Oren--live or recorded] The Defending First organization has claimed responsibility for placing an explosive device near the (Qazzazim) mosque in Hebron about 2 months ago, sabotaging scores of cars in Bayt Jala and, this morning, an attempt to set on fire cars belonging to Arabs in the townlet of Halhul.

Exactly a week ago there was an anonymous phone call to the radio's newsreel editorial board, by a man who identified himself as a member of The Defending First organization and announced that the organization had sabotaged cars in Bayt Jala in reaction to the wounding of a reserves soldier by stone-throwing. An attempt to receive more details ended in the phone being hung up. An investigation showed that scores of cars in Bayt Jala had in fact been sabotaged.

There was a second anonymous phone call 3 days ago reporting an attack against four Arab cars between Hebron and Yattah. An examination revealed that only one local inhabitant had complained to the police about stones being thrown at his car.

This morning The Defending First called the editorial board of the voice of Israel newsreel and announced that cars in Halhul had been set on fire in reaction to an attack against Jewish traffic. An investigation showed that during last night there was an attempt in Halhul to set three cars on fire. In their phone calls to the Voice of Israel, the organization's spokesmen say that their actions are being taken in reaction to attacks against Jewish travellers. The revenge actions, as they call their actions, are taken together with the attacks against Jewish traffic. In any event, the organization's announcement was the first one about the event. They also say that there are Arabs in their ranks who are working for payment within the Arab villages.

[Gus--live or recorded] The security forces have imposed a blackout on the investigation. We know that several Jews have already been summoned for interrogation. Among other things, the security forces are examining the possibility that there is a link between the organization calling itself The Defending First and other secret, extremist organizations that have worked in the past. Although the members of the organization have taken upon themselves the responsibility for the attacks we mentioned, the security forces are also investigating in other directions. For instance, the possibility has been raised that these acts were taken as provocation by Arabs in order to fan up feelings in the territories.

CSO: 4400/315

SCHIFF COMMENTARY ON ISRAELI, SYRIAN TENSION

TA271428 Tel Aviv HA'ARETZ in Hebrew 27 Apr 83 pp 9, 10

[Commentary by Ze'ev Schiff: "A War of Hysteria"]

[Text] Are these signs of an upcoming war or only of war-like panic and hysteria? This is the question arising in view of the bold headlines in the press and the leaders' declarations about an expected war between Israel and Syria, and about an unavoidable clash. We should remember that a great deal of danger is inherent also in war-like hysteria. Some wars break out despite the fact that both parties do not want them to but are then dragged into them and, from a certain point onward, cannot avoid them.

A similar situation developed in 1967. The 6-day war broke out following bombastic declarations and small incidents which, in any event, were easy to identify. Many experts today agree that both sides, Israel on the one hand and Syria and Egypt on the other, did not want that war. The declarations by both sides contributed to the outbreak. The chief of staff at the time, Yitzhaq Rabin, was one of those who expressed himself militantly against Damascus and the Syrian regime. Rabin bypassed this sensitive point when he recently (in a seminar on Syria in memory of David El'azar) analyzed the circumstances which led to the 6-day war. He addressed himself to numerous lessons, except two: The negative contribution of the bellicose declarations, and the fact that we have not learned a lesson from the way David Ben-gurion calmed down tempters 7 years before then, in 1960, when the Egyptians concentrated a large army in the Sinai due to tension between Israel and Syria (the Tawfiq campaign).

We should remember the deterioration of 1967. It appears to me that Israel too has contributed somewhat to the war hysteria threatening us now. The problem facing defense ministers in such a situation is what to say to deter the other party from starting out on adventures, but still not threaten it and push it into a corner: how to prepare the people against a military surprise (so that it is also recorded that the minister said and warned), but not to build it into war-like hysteria at the same time. The problem is the correct dose, so that the medicine does not turn into poison. The border line between warning and alert, and acceleration of the process and panic is thin. The impression is that the new defense minister does not yet know this sensitive mechanism, and he too has handled the first stage of the expected war with Syria with too great a dose.

These declarations may create the impression among our enemies that the present defense minister, like his predecessor, may be interested in a new flareup so as to achieve objectives and goals we were unable to attain in the war we started in June 1982. The truth is that Israel today does not have any reason to want a war with Syria. Even if we win it, we will not gain a thing. Any victory is tantamount to a bloody, Pyrrhic victory. Contrary to the previous defense leadership--Sharon and Eytan--the new defense minister, Moshe Arens and new Chief of Staff Moshe Levi have no interest in deteriorating into a war with Syria. On the contrary. There is also no dominant figure in the defense leadership today to drag Begin into war. This is the situation today.

Strategically speaking, Syria too has no reason to risk an all-out war with Israel. At this stage it is managing to reap important achievements without risking war and bloodshed. There are many cards in Damascus' hand. In fact, the future of Israeli-Lebanese negotiations depends on it and on when and if Israel withdraws from Lebanon. This is a card of veto which we ourselves gave to Damascus. In return for this card and the wearing-out which the IDF daily experiences in Lebanon Syria is paying with a few things: Its dependence on the Soviet Union is increasing and the IDF's military deployment is within artillery range of Damascus.

These are the basic facts but one should add to this various signs of preparation for war in Syria: A rapid build-up of forces, the absorption of many arms, accelerated training with an attempt to conclude them up to a certain stage, the stocking on food and other materials, the preparation of shelters and more. The question, of course, is whether this indicates a desire to launch a local military move or to cause controlled tension or only a natural reaction to the threat posed by the IDF. We have no clear cut answer to this.

The Soviet role too is not sufficiently clear. U.S. representatives explain that Moscow warns Damascus against an unnecessary military adventure and against deterioration which will lead Israel to adopt drastic measures. Just as it is for Washington, Moscow too has no reason to want a regional war that could escalate to a broader confrontation. Some of the Israeli experts are more doubtful about Moscow's ability to restrain Damascus completely. If Damascus indeed wants a clash, the moment will probably come when an argument, and possibly also tension, develops between it and the Soviets. In the meantime, Moscow wants to deter Israel and prove to Syria that while it is restraining it, it is also warning Israel. One of these means of warning are the SAM-5 strategic missile bases operated by the Soviets on Syrian territory.

In principle both sides, as stated, today have no reason to want an all-out war between them. However, the trend for the future is not good. Various elements may cause one kind of collision or another, even if they do not want it. The following facts can be listed among them: a possible action by the Syrians who are threatened by the IDF's proximity to their capital and other Syrian important areas; too great a proximity between the two armies; a rapid buildup of the Syrian Army and the addition of modern weapon systems which may make Damascus feel overconfident, which may motivate it to make a local move for the purpose of regaining their military prestige; a possibility that the terrorists will

cause incidents which will compel the IDF to react as in the past and the Syrian Army to lift the glove; a possibility of provocation by Christian elements in Lebanon. [Passage censored out]

The conclusion from the above is that despite the fact that neither Israel nor Syria have any reasons in principle to fight an overall war between them, both of them are still sitting on a tinder box. The way to neutralize the dangers is by seeking a dialogue with Syria, and if this is impossible, to conclude the negotiations with Lebanon as soon as possible, to aim at this even if a Syrian veto is imposed afterward. This should be done with the goal of reaching better understanding with Washington in case a further deterioration occurs in the region. At the same time, a separation of forces between the IDF and the Syrian Army should be sought even if this means an Israeli unilateral move. In the meantime, the profile of bellicose declarations in Israel should be lowered, alert should be maintained but unnecessary talk should be avoided.

CSO: 4400/315

BRIEFS

'ASH-SHA'B DISTRIBUTION IN W. BANK--The East Jerusalem ASH-SHA'B is again distributable throughout Judaea and Samaria. The civilian administration had banned its distribution some 10 months ago but our correspondent Arye Gus says that it has now changed its mind because the newspaper owners have promised to submit all the material to the censors and have recently shown that they stand by their word. [Text] [TA051112 Jerusalem Domestic Service in Hebrew 1100 GMT 5 May 83]

PIRATE CABLE TV STATION DESTROYED--Communications Ministry and police personnel yesterday raided the largest Haifa area cable television station, which was located on Bethlehem Street on the Karmel. It served 1,600 subscribers on the western slopes of the Karmel and what is called the French part of the Karmel mountains, Ramat Sha'ul and Qiryat Shprinzak. Communications Ministry spokesman Zekharya Mizrotsky described the operation as "the largest raid in Israel in the field of cable television." This was the first time the Communications Ministry and police forces not only confiscated the station's equipment but also dismantled and confiscated the entire transmission and amplifying equipment as well as the cables themselves. The Communications Ministry workers toiled for many hours to dismantle the 3-km-long cable network. The other Haifa area stations are under surveillance. A raid was carried out a few months ago on cable television equipment in the Qiryat Eli'ezer district, which belongs to the "Anna Poseq" Company Ltd. The trial of this company's owners will soon open in Haifa. The station owners reacted to that raid by setting up a common union. The number of Haifa and bay area subscribers to cable television is estimated at some 30,000. [Report by Yehuda Goren] [Text] [TA051211 Tel Aviv MA'ARIV in Hebrew 5 May 83 p 8]

W. BANK COLLEGE--"The Judaea and Samaria College," with branches in Ari'el and Qedumim, will accept new students from the coastal plain in order to accelerate the speed of its development. The college is split into two parts: The study of the people of Israel and Eretz Yisra'el is taught in Qedumim, while technical sciences are being taught in Ari'el. Speaking with DAVAR, MK Yig'al Kohen-Orgad who is an active promoter of the industrialization of the areas beyond the Green Line, said that some 15 students are currently enrolled in Ari'el college, but that their number is expected to rise to 50 next year. Besides, a new faculty will be offered the students next year: industrial administration. [Report from Jerusalem by economic affairs correspondent Ze'ev Struminsky] [Text] [TA050601 Tel Aviv DAVAR in Hebrew 5 May 83 p 3]

REFUGEE REHABILITATION PROJECT--A plan has been drawn up in Minister Ben-Porat's office to transfer thousands of Palestinian refugees from the Judeaea and Samaria camps to permanent dwellings. The minister's aide has reported that the plan is currently in an advanced planning stage, adding that the main idea is to give the refugees a chance to build their own homes on land the civilian administration will provide them. He said that Israel had approached a number of institutions and organizations abroad with the request that they help the plan, and has encountered great responsiveness. Minister Ben-Porat's aide refused to disclose the names of those organizations. The head of the civilian administration, Brig Gen Shlomo Ilia, reported earlier this week to the director-general of the Labor Ministry what share the civilian administration will shoulder in the refugee rehabilitation project. It is believed in the civilian administration that the removal of the refugees from the camps and their rehabilitation would limit the waves of anti-Israeli agitation. Speaking to our correspondent Arye Gus, Brigadier General Ilia denied reports that the civilian administration had discussed the status of UNRWA in the territories or the intention of expelling it from Judeaea and Samaria. [Text] [TA261733 Jerusalem Domestic Service in Hebrew 1700 MGT 26 Apr 83]

OPPOSITION TO VAT COLLECTION--The Union of Chambers of Commerce of the West Bank yesterday decided to defy a recent decision by the High Court of Justice and not collect value added tax in Judeaea and Samaria. In a meeting in Nabulus yesterday, the chamber heads decided to prepare a document stating their opposition to the court's decision, which said it is legal to collect VAT in the areas. At the meeting, it was also decided to submit a memorandum to the civil administration citing the union's opposition to restrictions on construction imposed several months ago. Similarly, they requested the cancellation of a recent increase in the travel tax collected from those who travel to Jordan across the bridges. "The previous charges were exaggerated enough and there is no place to raise them further," the memorandum stated. A traveller who wishes to cross the bridges today pays a charge of IS1,500. [Text] [TA270746 Jerusalem THE JERUSALEM POST in English 27 Apr 83 p 1]

JORDANIAN, ISRAELI OXIDIZING PLANTS--Elat, 28 Apr (ITIM)--The Jordanians have lately been building a large oxidizing plant in the northern part of al-'Aqabah, not far from the seashore, and there is a reasonable fear that the sewage water will penetrate into the ground water from which Elat is pumping its water. The work on the Jordanian side is now in full swing, and tens of tractors are at work leveling the ground. The Jordanian oxidizing plant is located in the 'Arava region, at a distance of about 4 km north of the seashore. The new Elat oxidizing plant is planned for a location opposite the Jordanian plant. Elat Mayor Gad Gatz told the ITIM correspondent that Israeli experts are examining whether the al-'Aqabah sewage water will penetrate and reach our ground water. Water engineers conduct frequent drillings and checks to see whether there is penetration or not. The Elat mayor added that all the authorities concerned have already been licensed to move the present Elat oxidizing pools into the 'Arava region, at a distance of about 4 km north of Elat. The present oxidizing pools are located in the northern part of Elat, practically next to the hotels, and the small frequently reaches them. The moving of the pools to the 'Arava region will cost about 150 million shekels. [Text] [TA281102 Tel Aviv ITIM in Hebrew 0745 GMT 28 Apr 83]

NEW AIRFIELD IN LEBANON--The military airfield built by the IDF in Lebanon cost 25 million Israeli shekels. The airfield was established on the seaside, west of the main road and the railroad, in the area between the towns of Khaldah and al-Damur. The airfield also services large aircraft. In the past it was used to fly IDF soldiers from Lebanon to Israel and back aboard large helicopters. However, since the airfield was established, it has been mostly used by cargo aircraft because their cost per flying hour is cheaper than that of helicopters. After the IDF's withdrawal, the new airfield will have to be left to the Lebanese. [Report by the military correspondent] [Text] [TA281055 Tel Aviv HA'ARETZ in Hebrew 28 Apr 83 p 1]

ISRAELI DELAY OF TABAH TALKS--Israel is deliberately stopping another meeting with Egypt about the matter of the arrangements in Tabah because Egypt is refusing to take steps in the field of normalization and commercial links. Our political correspondent Shim'on Schiffer has learned that Israel informed the United States that if the talks are resumed, it will demand [tidrosh] that they be held in Jerusalem. Our correspondent has learned that new documents have recently been discovered justifying Israel's position on the matter of the border demarcation in Tabah. Among other things, this is a question of an official British map. Our political correspondent says that the Israeli ambassador in Cairo has informed the defense minister that it is impossible to arrange a meeting for him with his Egyptian counterpart, as he had requested, because Egypt is not now interested in high-level meetings. Arens had asked for the pending matters between Israel and Egypt to be advanced. [Text] [TA240626 Jerusalem Domestic Service in Hebrew 0500 GMT 24 Apr 83]

DEFENSE MINISTRY PERSONNEL CHANGES--The financial adviser of the Defense Ministry, Nehemya Hasid, has left to become the assistant financial director of Israel Aircraft Industries. Meanwhile, the assistant director of defense exports in the Defense Ministry, Ya'akov Shapira, will leave in mid-May following 34 years of service in the defense establishment. He will be replaced for the time being by Tzvi Roter. [TA300556 Tel Aviv 'AL HAMISHMAR in Hebrew 29 Apr 83 p 1]

NO NRP YOUNG GUARD PARTY--The young guard of the National Religious Party [NRP] has decided not to establish a new political party. The faction discussed a compromise proposal worked out between faction leader Zvulun Hammer and Yosef Burg of the rival Lamifne faction for 7 hours before voting 73 to 49 to accept the proposal and stay in the party. According to the compromise, 55 percent of the party posts will be allocated in accordance with the results of next month's party elections. The rest will be awarded to people not actively involved in politics. Dr Yehuda Ben-Me'ir, Hammer's close colleague in the young guard for many years, led the fight against the compromise. [Text] [TA020537 Jerusalem Domestic Service in English 0500 GMT 2 May 83]

EHRlich PREVENTION OF SAMARIA SETTLEMENT--Recently Deputy Prime Minister and Minister of Agriculture Simha Ehrlich stopped the foothold of Hermesh, near Mevo Dotan in Samaria, from being turned into a civilian settlement. According to the plan by the Defense Ministry and Gush Emunim, the Hermesh foothold was to have been made civilian on 9 May, in accordance with a decision by the ministerial committee for security affairs. However, when Ehrlich, who acts as

chairman of the ministerial committee for settlement affairs, learned of this, he demanded that the changeover be postponed until the matter is discussed by the ministerial committee for settlement affairs. It should be noted that the representatives of the Jewish Agency in the ministerial committee for settlement affairs are also opposed to turning the footholds into civilian settlements without the matter being brought for discussion by this ministerial committee, not only the ministerial committee for security affairs. [Report by Avraham Dishon] [Text] [TA021006 Tel Aviv YEDI'OT AHARONOT in Hebrew 2 May 83 p 2]

ISRAEL, ZAIRE AVIATION AGREEMENT--An aviation agreement was signed at the end of last week between the Zairian Government and a visiting Israeli delegation. The agreement grants EL AL and Air Zaire rights to operate flights between the two countries, with landing rights at stopover points in between. EL AL will first examine the profitability of opening the route. The agreement will go into effect once it is approved by the Israeli and Zairian Governments. [Text] [TA011639 Tel Aviv IDF Radio in Hebrew 1 May 83 1428 GMT]

E. JERUSALEM NEWSPAPER PLAN--Journalist Ibrahim Qara'in from East Jerusalem asked the Interior Ministry to give him a license to issue a new daily paper in the English language called AL-'AWDAH [The Return]. Our correspondent Pinhas 'Inbari reports that the Interior Ministry forbade Qara'in to publish a daily information leaflet containing translations from the Arabic press. The Interior Ministry explained that this is in fact a paper and a license should therefore be obtained for it. The new paper is supposed to replace the information leaflet. [Text] [TA041801 Jerusalem Domestic Service in Hebrew 1600 GMT 4 May 83]

CSO: 4400/318

COMMENTS ON AL-BIQA' TENSION

JN221052 Amman Domestic Service in Arabic 0500 GMT 22 Apr 83

[Press review]

[Text] Under the headline "Where Is the Israeli Blackmail Pushing the Issue?" SAWT AL-SHA'B says: Once again the Middle East is heading for a political stalemate. Threats of tension and armed conflict prevail the region. The heavy Israeli and Syrian troop concentrations in the northern front may push the region to a new course and may divert world attention from the Middle East peace issue to new urgent issues, the least of which is the escalation of all sorts of international competition and polarization in the region.

SAWT AL-SHA'B adds: Israel may be interested, at this time, in mobilizing the Western public opinion in support of its aggression and intransigent positions in the region under the pretext of its role in confronting the Soviet penetration in the Middle East, a matter which is in harmony with some ideologies currently submitted by Western countries.

Israel, which portrays itself as the protector of the Western countries' interests in the Middle East and their spearhead against the Soviets, aims at continuing its blackmail of the Arab region and the United States under the pretext of defending the Western interests against the so-called Soviet danger.

In fact, the Israeli role in foiling the U.S. role and obstructing the U.S. efforts in the peace process pushes the Middle East issue outside the circle of the unilateral U.S. treatment of the subject. This unilateral treatment has been going on since 1977 when Washington went back on the U.S.-Soviet joint statement on the Middle East. The failure of U.S. efforts also dictate the participation of the Soviets and the international community in the political efforts, especially since the Israeli policy has caused the incapability and incredibility of the U.S. political efforts in the region.

SAWT AL-SHA'B concludes: If the United States fails to improve the peace opportunities, it will be logical that the whole responsibility must be assumed by the international community. The danger of what is taking place now in the region is that the urgent regional issues which need rapid solutions will be lost due to the escalating international competition and

polarization in our region by sides which are preparing to assume their new roles--roles which are at the expense of the Arab cause.

Under the headline "Tension in Al-Biqa' Valley," AL-RA'Y says: The reports on tension in the Al-Biqa' valley arouse questions on the size, nature and objectives of that tension. If the size cannot be determined as yet, it is beyond doubt that tension has a tactical nature. However, this tension has the following objectives:

First, to complicate the current situation in Lebanon, obstruct the efforts being exerted to reach a solution which will ensure the withdrawal of the Israeli forces from Lebanon and consequently delay the confirmation of U.S. credibility there. Second, it is possible that this tension is a prelude to turn the Al-Biqa' valley into a limited testing ground for U.S. and Soviet sophisticated weapons which exist in the region. It is no secret that the two superpowers are interested in testing these weapons far away from their arenas. Third, it is possible also that this tension is related to U.S. and Soviet political calculations although the aims of these calculations range from the reinforcement of the unilateral U.S. treatment of the issue to opening the door for a Soviet presence according to the results of the tests carried on the sophisticated weapons in the testing ground of the Al-Biqa' valley.

AL-RA'Y adds: In light of these eventualities, it becomes clear that the reported tension in Al-Biqa' is not far away from the tug of war game between the two superpowers--a game whose effects on the region are difficult to predict. There is no need to recall that the U.S. administration assumes basic responsibility for the current situation in the region, whether in Lebanon or the occupied Palestinian territory. This responsibility stems from the special relationship between the United States and Israel. We must also say that the international lenience toward this situation will weaken the chances of peace and stability in the region and will turn it into a dangerous hotbed of tension, which threatens world peace.

AL-RA'Y concludes: Thus, it will be a mistake for any side to believe that the Al-Biqa' valley is a suitable arena for the tug of war game or a safe laboratory for limited tests, because too many times calculations prove their faultiness and results exceed all estimations.

Under the headline "Lebanon Between U.S. Importance and Israeli Meanness," AL-DUSTUR says: Another round of the Lebanese-Israeli-U.S. negotiations was concluded yesterday without any tangible progress. It is no secret that the problem of the current negotiations is that Israel does not want to negotiate. It wants to impose capitulation on Lebanon. Despite the world denunciation of its invasion of Lebanese territories, Israel neglects all the appeals urging it to end its occupation of Lebanon and declares, through the Israeli delegation to the negotiations, that it will withdraw from these negotiations if Lebanon does not respond to all its demands.

AL-DUSTUR adds: Israel, which insists on achieving its aggressive objectives in Lebanon, threatens that Lebanon can only surrender to the objectives of

the Israeli invasion, thus proceeding from the fact that the fait accompli is on its side and that Lebanon's status quo turns time into a heavy factor which exhausted Lebanon cannot tolerate. The Arab situation has not changed since the signing of the peace treaty between Egypt and Israel. It seems as if this situation tacitly gives Israel the sign to begin a series of wars which will lead everybody to Camp David.

The U.S. position is another problem in the current negotiations. The United States calls on the Arabs to deal only with it in their efforts to regain their territories, although it lacks the ability to curb the Israeli arrogance. It also wants to monopolize the peace efforts by assuming the role of the United Nations, the other big powers and all the international blocs and organizations which expressed interest in solving the Arab-Israeli conflict. Meanwhile, the United States maintains its traditional policy toward Israel by giving it funds, arms and the political support whenever needed, without having the capability or intention to put pressure on it. This will enhance Begin's expansionist ambitions and push him to fulfill them by means of guns and aircraft rockets.

AL-DUSTUR adds: The United States is the one which prevented the international community from punishing Israel when the latter annexed Jerusalem and the Golan and when it invaded Lebanon. The United States is also preventing the international community today from doing anything to force Israel to withdraw from the Lebanese territories although the United States is basing all its peace plans on the assumption of the Israeli withdrawal in advance from the Lebanese territories.

AL-DUSTUR concludes: We are confident that the world, which faced Zionism and fascism and curbed all their aggressive practices, will not be incapable of curbing the Zionist defiance if the United States wants this or at least if it stops placing its impact at the disposal of the Israeli aggressors.

CSO: 4400/304

HADDAD DELIVERS SPEECH ON CURRENT ISSUES

NC301236 Marj 'Uyun Lebanon Voice of Hope in Arabic 1015 GMT 30 Apr 83

[Speech by Free Lebanon Commander Maj Sa'd Haddad--live]

[Text] My brother Lebanese people, today you hear about negotiations, proposals and envoys, and lately the United States sent its Secretary of State Cyrus Vance [as heard] to solve the problem. The first thing I want to tell you is that we are grateful for the Americans because they are demonstrating interest in solving the Lebanese question. They, no doubt, have interest in this. They want to establish a U.S. base in Lebanon to confront Soviet influence in the Middle East. They are not here just to solve the small internal Lebanese issue. They are here for their own interest. Do they want to help us? It is possible; they give us funds, welcome; they train our army, turning them all into paratroopers, also welcome. God willing, they will train those who are 100-years-old as paratroopers. We have no objection.

Let the Americans leave us alone as Lebanese to decide what is in our interest to do. They want to establish a base in Lebanon, also welcome to them. We are against communism. Let this base extend from Beirut up to al-Nahr al-Kabir and al-Masna'. We have no objection to this. Moreover, we are also ready to allow them [to] have troops here in the south and protect them. We have no objection to this. But, they must not interfere in our internal affairs.

Today, you hear much and that the Lebanese negotiator says there are obstacles and so on and so forth. We tell the Lebanese that the first and foremost obstacle is not in the south, which was, is and will remain Lebanese and an indivisible part of Lebanon. The problem is in the al-Biqa' and in the north, where the Syrian occupiers and their henchmen are exercising the most atrocious and ugliest actions against the Lebanese citizens. They allowed every country in the world that sympathizes with the saboteurs [Palestinians] to establish bases in Lebanon. Thus, the problem is there. [Words indistinct] the question of the south, the sons of the south and Lebanon and the rest of the Lebanese will not differ.

We ask you to show interest at present in the daily affairs of the south, for example, roads. We have already repeated [sentence left incomplete]. We now hear that they [the Lebanese Government] allocated several million [pounds], but we hope that the projects will be implemented and nor remain ink on paper.

The Lebanese negotiations raised the question of Jabal Safi, saying they are not allowed to go up Habal Safi to work there. We interceded and secured permission to enable the Lebanese workers to work on the mountain. But, when they were given the permission, they did not want to go to work there (?for telephone line installation), and so forth. A small bridge that does not cost 10,000 pounds and links al-Jarmaq, al-'Ayshiyah and al-Rayhan with this area [words indistinct]. We had hoped that this area will no longer be neglected. This is the best service for southern Lebanon at present.

As I have told you, southern Lebanon was and will always be Lebanese. Elie Salim came out. He is enthusiastic when he wants to make a speech or hold a press conference. I do not know if he is an Arabist or has Syrian national tendencies or what. I do not know. I have no information about him. But certainly we denounce the statement Salim made, because it harms not only Major Haddad alone, but the entire people of the south as well as the majority of the Lebanese who follow Major Haddad's course. He censures Major Haddad and his army for receiving salaries from Israel. It is true, we get paid by Israel, because when your former state, under Syrian pressure, ceased to pay our salaries, I refused to see families starving before my own eyes and be unable to do anything. You were in the United States, why didn't you send us aid then? For your information, we consider the salaries we are receiving from Israel debts that the future sovereign free and independent state of Lebanon, that will serve Lebanon, will pay back. We were sure when we signed the debt document that one day our course will triumph and save Lebanon. We were armed with all the sincere Lebanese headed by first martyr Bashir al-Jumayyil, who guided us to the path to save Lebanon. Because, had we not followed this path, you Mr Elie Salim, would not have been able to be appointed foreign minister. You would have stayed in the United States. Where were you when we were paying ours and our sons' blood in the south for Lebanon and the Lebanese flag? Where were you? Do you know what we have suffered and encountered? I think you do not know. All we did was for Lebanon's sake. You were in the United States working hard and using all connections to get U.S. citizenship, while we were defending the Lebanese identity card and dying for it. Now you come to tell us that we receive our salaries from Israel. All the disgrace falls on those who stopped these salaries. Until now, the martyrs--it is shameful not to know that the martyrs have children and their rights have not yet been granted. Is this the reward for those who work for Lebanon? Is this the reward for a martyr? Should his sons starve to death if he dies? Do you accept this reward?

Speak your words, you Lebanese people. Why are you silent and what are you afraid of? Are you afraid of Syria, Saudi Arabia and the Americans? Do tell me how you are going to rescue Lebanon. Who will have faith in Lebanon or work in Lebanon if gratitude is not accorded to the people who are present here or if their work is not appreciated?

Then he [Salim] says: The question of Major Haddad is like the question of the other officers who have dealt with foreign countries during the war. Mr Elie Salim, have you studied the dossiers of all the officers upon whom you are relying? I ask you to study the dossier of every officer and to study where he was and what he did during the incidents. I only ask you to study and you will see that most of the officers have plotted against legitimacy and have worked

with Syria, Libya, Egypt, Iraq and I do not know who with. Today, you are relying on them. I do not want to name names or to slander anyone. But if you want I will give you the names of all the officers. I know them all. I know where everyone worked. Some joined the vanguards, the Arab Army of Lebanon and I do not know what. Those officers who did not plot against legitimacy, tore the Lebanese flag and trampled the Lebanese flag--what was their fate? Some of them escaped and took refuge in France and elsewhere because they were afraid, cowardly or found a safe haven in places far from the areas of fighting. Furthermore, it is the duty of every officer and soldier, regardless of how difficult the conditions are, and in the event that coordination is severed and they cannot receive orders from their command, that they should continue their work and work as much as they can to rescue their country and homeland because they have taken the oath to do so. That is what we have done. Therefore, the majority of the officers about whom you are speaking are present with you; they have returned to the army and are respected and cherished. Be sure, Mr Salim that we are not seeking either rank or jobs. We are seeking something named Lebanon. The army and enlisted men we have are not seeking or anxious that they just be recognized because if they wanted that they could go and enlist with you. But they believe in an issue; they believe that some people must stand fast and stay and rescue Lebanon because Lebanon is still in danger and has not been delivered.

Therefore, do not think that we are over anxious to obtain rank or position. We defy death for the sake of our homeland. You came only yesterday. You are in a safe place but you should ask if you do not know about our situation here, about what we have done and about our sacrifices for the sake of Lebanon. It is a shame that you should harm the reputations of those who worked for the sake of Lebanon in this manner in your capacity as an official. I leave it to the Lebanese people, to the righteous, heroic and free Lebanese people to speak their words and to do with you what you deserve.

In any case, what are you demanding? Are you aware that Lebanon is still in danger? I ask you a simple question: Let us suppose that Israel withdraws from al-Shuf, who will go to al-Shuf--the Americans? Will they go there to fight? [Will] the Italians or the Frenchmen [go there to fight]? Even the Lebanese Army is not prepared to go to fight against the sons of al-Shuf. We candidly tell you that. (The Lebanese Army] cannot and will not be able to impose itself by force. Al-Shuf is a small example. Who will go to Ba'labakk? Who will go to Tripoli? Who will go there? Who will restore sovereignty there? Thus, be sure that the country is proceeding toward partition, to the abyss and to extinction. Why this obduracy? I do not understand this obduracy and why you are obdurate? Do you want to rescue Lebanon or do you not want to rescue Lebanon? I tell you frankly that it is impossible to rescue Lebanon and keep the Arab states with us. I wish to recall for you that all the Arab states have participated in one form or another in destroying Lebanon. They are the ones who destroyed us and where are we following them? They are waiting for another opportunity in order to destroy Lebanon. If the second opportunity presents itself, God forbid, we will not find anyone to help us. We will not find Israel, or America or anyone to help us or [words indistinct] our homeland. Therefore, beware of proceeding along this line.

Regrettably, some people believe in partition. I tell you frankly that some people believe in partition. Let us suppose--God forbid--that partition takes place and we establish a Christian homeland, a Muslim homeland and a Druze homeland. What prerequisites for life will a Druze homeland have in al-Shuf? There are no prerequisites for life. Moreover, when the Druze become independent, they will divide among themselves into Qaysi, Yamani, [words indistinct] extinction.

What if we make a Muslim homeland? Perhaps some youths like this idea. They say let us--we the Muslims--be left alone; we have nothing to do with infidels [words indistinct]. If, for the sake of argument, this happens, the Sunni and Shi'ite Muslims will start fighting each other, and the outcome will be that such a homeland will disappear.

What if we make a Christian homeland? Today's youths will be happy. They say that since 1860, some shock or massacre has been happening to us every 10 years. We want to live alone.

If such a thing happens, God forbid, perhaps a Christian community can exist in Kasrawan. However, how about the villages dispersed here and there, especially in the south? The south has a mixed population of Christians and Muslims. [Words indistinct] what shall we do with them? Shall we let them emigrate. We have [Christians] from Jazzin to Sidon, and also in western al-Biq'a' and elsewhere. Shall they emigrate elsewhere or shall they be massacred? The Kasrawan area can barely accommodate its inhabitants. If they emigrate abroad, they will remain all their lives humiliated abroad.

The same thing applies to the Muslims living in al-'Aqurah, Jubayl and Mount Lebanon.

Neither the Druze, nor the Christians nor the Muslims have the prerequisites for a homeland. All Lebanon--the 10452 square km Lebanon--does not have prerequisites for a homeland. It cannot rely on itself and it cannot live alone, unless we consider hashish a main source of income. The world will eventually spit on us because of so much hashish. I also wish that someone would tell the Syrians to stop encouraging the hashish trade, especially Rif'at al-Asad, who protects this trade. This is a shameful blot and is against religious teachings, against human principles and against everything.

Therefore, all Lebanon does not have prerequisites for a homeland. How about if we partition it? It will be a catastrophe and the end of Lebanon. Therefore, instead of thinking how we will partition Lebanon and eventually make it cease to exist or instead of thinking how we will give a part to Syria, a part to Israel and a part to others, we must think how we can liberate all Lebanon and at the same time find a new formula that will secure the future of all the Lebanese and make them feel proud that they belong to a homeland called Lebanon.

We here will never accept partition. We say it frankly. We will not accept partition because we do not want to see Lebanon melt away and disappear from the world map. So be sure that everyone who officially acts against Major Haddad and his forces is acting against Lebanon without knowing it. Major Haddad does

not represent himself; he represents a people who believe in the line Major Haddad is following, not only in the south but in all Lebanon. All of you know how the world has pinned its hopes on us and on this area. We have not disappointed it. The world still pins its hopes on us. I hope and I ask God to help us that just as we saved a part of Lebanon, we will be able to save all Lebanon.

If intentions are good and the decision is to save Lebanon from its predicament, the sincere Lebanese must encourage the step taken by the inhabitants of free Lebanon and encourage the free Lebanese Army because this army is a guarantee for all Lebanon and for all Lebanese. May you live long, and long live free Lebanon sovereign and independent.

CSO: 4400/315

COMMUNIST PARTY LEADER INTERVIEWED ON DAMASCUS TELEVISION

JN272032 Damascus Domestic Television Service in Arabic 1750 GMT 27 Apr 83

[Interview with George Hawi, secretary general of Lebanese Communist Party, by head of Damascus television pictorial news section; date and place not given--videotape]

[Text] [Question] Brother George, today you met with President Hafiz al-Asad and held talks dealing with the situation in the region and in Lebanon. Can you describe these talks to us?

[Answer] The talks were very important and cordial and our views were completely identical. This is so due to the fact that the region is witnessing an escalation of the imperialist-Zionist-reactionary onslaught against the forces of steadfastness that confront the imposition of capitulation. Syria is the vanguard of these forces of steadfastness and plays its role in preventing the course of capitulation from dominating our region. President Hafiz al-Asad leads this course, which opposes the imperialist schemes and Zionist ambitions in defense of Syria, Lebanon and the Palestinian issue--the comprehensive issue of our Arab nation. Syria's vanguard role is now the target of Zionist-imperialist provocations aimed at preventing it from continuing to confront the course of imposing capitulation on the Arab level. Thus our talks with President Hafiz al-Asad were characterized by frankness and agreement on the importance of mobilizing all energies to defend Lebanon's independence by expelling the Israeli invaders from Lebanon without conditions, implement UN Security Council Resolutions 508 and 509 in this regard. We also agreed on the importance of defending the Palestinian revolution and supporting its national independence position that refuses to surrender the right of the Palestinian people to represent themselves to anyone, adheres to all its national rights and rejects the course of capitulation. We also agreed on the importance of strengthening the steadfastness of Syria, which represents the central force confronting the U.S.-Israeli campaign of pressure today. This must also be accompanied by mobilization of the popular and practical energies, coordination of the progressive forces in the region and reinforcement of friendship and cooperation with world countries, foremost among them the USSR and other socialist countries.

I am pleased to say that, after every meeting with President Hafiz al-Asad, I get an impression of his fundamental and comprehensive perception of the

Arab situation with the current international situation. I also get an impression of his confidence of the ability of the people's masses, the progressive forces and Arab liberation forces and their allies in repulsing the imperialist onslaught. We, the Lebanese Communist Party delegation, perceived this impression more strongly than at any other time, realizing that Syria is fighting a long-term battle and is adopting all measures and is calling for adopting all measures to succeed in this battle.

[Question] Brother George, George Shultz' visit to the region coincided with the Israeli-imperialist threats against Syria, reaching a peak with the Israeli threats against Lebanon. Therefore, there are Israeli threats to Syria and Lebanon [words indistinct] who according to him came to rescue Reagan's initiative, to rescue the Israeli-Lebanese negotiations or to break the deadlock in these negotiations. In your opinion, how do you see the future of the region in view of what is taking place?

[Answer] This was one of the principle issues on which discussions centered during the important meeting with President Hafiz al-Asad. We can say confidently that the United States and Israel have not yet achieved their objectives from the Israeli aggression that led to the occupation of part of Lebanon with U.S. support and which was aimed at Lebanon, the Palestinian resistance in Syria. The U.S.-Israeli scheme has suffered a great setback, thanks to the uprising of the people of Lebanon and its nationalist and progressive forces against the occupation on the political and popular levels. This is particularly true on the military level, because the Lebanese nationalist resistance escalated its strikes against the Israeli occupation army, leaving it on tenderhooks on Lebanese territory.

The U.S. scheme has faltered and sustained a major setback as a result of the PLO's abidance by its right to represent its people and the resolutions of the [Fes] Summit, which contradicts the provision of U.S. President Reagan's plan, and as a result of the PLO's refusal to surrender this right to King Husayn or to any of the parties which are trying to make the PLO accept Reagan's plan. The U.S.-Israeli hegemony scheme also faltered as a result of Syria's steadfastness and confrontation of this capitulatory course which the Israeli aggression, with the backing of the United States, had sought to impose. That's why President Reagan sent his secretary of state, perhaps in a last attempt, to bolster his plan with the primary objective of imposing a humiliating agreement on Lebanon that will harm its sovereignty, independence and dignity and that will be used for giving Reagan's plan a new momentum, making it possible to impose it on Jordan and to use it as a means of pressure on the PLO. All this is to embarrass and contain Syria and present it with a fait accompli by having it either facilitate the peddling of this plan or have military means used against it. That's why political pressures, Israeli troop reinforcements and Israeli and U.S. threats are being used.

From this premise, we believe that it is necessary to bolster Lebanon's steadfastness to prevent it from submitting to attempts which seek to impose a humiliating agreement on it that will be used as a formal framework for

saving the U.S. plan from its demise, placing the ball in the court of the Lebanese nationalists and Syria, claiming that Israel has solved its problem with Lebanon and asserting that the only problem which remains to be solved is that of Lebanon with the Syrian presence, which must be solved by Lebanon itself.

This makes us duty bound to entrench the Palestinian stand, which refuses to accommodate Reagan's plan. This also calls on us to mobilize all our capabilities to support Syria in its battle and to support its basic position in the Lebanese nationalist-Syrian-Palestinian triangle of steadfastness.

We are fully confident that all the potential is available to foil the U.S. plan, although the U.S. administration and President Reagan have concentrated all their efforts in this regard. In any case, I can state that our people, represented by the national and progressive forces, will not accept any form of humiliating agreement that would harm Lebanon's sovereignty and independence and that they will never agree to being governed by the provisions of such an agreement. We will continue to deal with the Israeli military presence and the Israeli military conditions as the presence and conditions of an occupation force, which we categorically reject. We also refuse to have them replaced by a U.S. presence, which is just as dangerous as the Israeli presence and conditions. We are determined to confront this presence and to liberate our country from every filth. We also stress that, within this framework, we look to Syria to perform its national role in the Lebanese arena. We shall not permit the ball to be transferred to the Syrian or Palestinian court. The ball must always remain in the Israeli and U.S. court until we are able to remove them from the Lebanese arena, regain Lebanon's sovereignty and unity and obtain the liberation of the entire Lebanese people.

CSO: 4400/312

BRIEFS

AL-QIR'AWN LAKE WATERS DRAINED--Beirut, 21 Apr (SANA)--Lebanese security sources have affirmed that the Israeli invading forces have begun draining the water of Al-Qir'awn Lake on the Litani River in the western Al-Biqah on the pretext that the high water level threatens their military deployments on the lake's banks. The sources said that a Zionist captain had forced a number of technicians to open the floodgates without consulting their superiors in Beirut. One of the technicians said that the invasion forces wanted to reduce the lake's water level by 10 cm, which would result in the loss of about 8 million cubic meters of water. In another development, Israeli bulldozers leveled poultry farms in Al-Hawsh Township in the western Al-Biqah on the pretext that they are obstructing the military operations of the Israeli forces. [Text] [JN211535 Damascus SANA in Arabic 1500 GMT 21 Apr 83]

REPORT ON TERRORIST ORGANIZATION--A senior Lebanese security source has revealed that the regime of a neighboring country has been actively supporting the underground so-called Sons of the Cause terrorist organization which has claimed responsibility for several attacks against the multinational force in Beirut. The same source added that the organization had been set up 1-1/2 months ago and its chief Husayn 'Ali Barrab was already under arrest. [Text] [NC241856 (Clandestine) Radio Free Lebanon in English 1745 GMT 24 Apr 83]

CSO: 4400/312

PALESTINIAN AFFAIRS

PLO RADIO ON REAGAN'S POLICY

LD240055 Algiers Voice of Palestine in Arabic 1700 GMT 23 Apr 83

[Unattributed commentary]

[Text] Yesterday, with racism and imperialist hatred, the head of the U.S. administration, Ronald Reagan, announced at a press conference that his administration will never recognize the PLO. Consequently, the Reagan administration will not presently take the PLO into consideration. Reagan did not forget to repeat in front of newsmen what he has said, that the PLO is a terrorist organization that is controlled by extremists.

The U.S. President did not stop here but added that his administration will strive to realize what he called peace between Israel and the Arab states without considering the PLO, its position and stand. However, Reagan did not specify how his administration will realize this so-called peace he claims.

Thus, the head of the U.S. administration has unmasked his imperialist, racist, rancorous and ugly face so it can be seen without the makeup of deception that has concealed it for a long time [word indistinct] not from the PLO and its leadership or the entire Palestinian people inside and outside the occupied soil and the peoples of the Arab nations that have tested the United States and have come to know well its administrations and presidents one after another. He has concealed this face from the Arab regimes that are linked to the United States and that despite all the open U.S. hostility to our Arab nation, its present and its future, its soil and its wealth and its issues, still bank on the United States. What is worse, these Arab regimes still make their moves and respond to events and the operations of the struggle in the area on the basis that the United States has the first and last decision and that it holds not only 99 percent of the cards of the solution--as al-Sadat used to think--but these regimes think that the United States holds 100 percent of the cards of the solution.

We now return to Reagan and his press conference. We pause at a sentence in his statements that concern the attitude of the U.S. administration toward the PLO. In his imperialist logic, Reagan rejects recognition of the PLO. He does not stop at this point but he goes further and declares war on the PLO. He says that his administration will work for realizing peace between Israel and the Arab states without any consideration of the PLO. Reagan

adds to his denial of the existence of the PLO and its role as a sole legitimate representative of the Palestinian people when he asks: Who elected the PLO?

In truth, through these statements, the U.S. cowboy President Reagan has astonished the political circles that are concerned with the struggle in the Middle East in the international or the Arab arena. These statements also disappointed many Arab officials who are linked to the United States and who bank on it and on its role and magic wand. The only ones who are not surprised are the PLO leaders and the sons of the Palestinian people. Yes, we say that our people are not surprised by these statements, which openly reflect the attitudes of the U.S. administration, headed by Reagan. This is a result of the fact that our Palestinian people know well that the United States and its various administrations have never been and will never be any other way than hostile to the Palestinian people, their hopes and aspirations, and their yearning for a just and lasting peace based on the legitimate rights of the Palestinian people, including the right to self-determination and the establishment of their own independent state and their national soil.

Who elected the PLO? Thus asks the cowboy Reagan with all the political stupidity or shutting of one's eyes to the truth as a result of the racist and imperialist spirit of hatred of the PLO and the Palestinian people. The PLO is the sole legitimate representative of the Palestinian people wherever they may be living, inside or outside the occupied Palestinian homeland. This was stated by the Palestine National Council [PNC] and all sectors of the Palestinian people are represented in the PNC. The existence of this council represents the most advanced forms of democracy of modern times. The entire world agrees with this.

The PLO is the sole legitimate representative of the Palestinian people. This was stated by our Palestinian people wherever they live. This is a fact of the PLO that imposed its existence in all the international arenas and it was recognized by more than 120 states in the world. The PLO would not have been able to reach the United Nations and take part in the work of all the international bodies and organizations and all international conferences if the states of the world were not convinced of this fact--the fact about the PLO and its effective presence at various levels. The PLO is able to impose this presence during 19 years of struggle at various political, military and cultural fields and it proved that it quite rightly is worthy of representing this people who gave it its confidence and elected it as a leader of its struggle.

Whether Reagan wishes it or not, the PLO has been and will always remain--as the brother leader Abu 'Ammar [Yasir 'Arafat], PLO Executive Committee chairman and commander in chief of the Palestinian revolution forces has said--the basic and problematic figure in the Middle East equation. It has been and will always remain the militant vanguard, not only in leading the Palestinian people but also in leading the Arab national liberation movement, which stands in the way of the imperialist-Zionist racist tide that seeks the Arab land, its people and its resources. The PLO, Reagan, no longer

needs to defend itself or prove its existence in the face of such political thoughtlessness, which, very regrettably is a characteristic of the president of a world superpower. Reagan can no longer tolerate to hear the name of the PLO. This is what he said at his press conference. He wants to impose surrender on the Arab nation. He wants the Arab homeland and the entire Middle East area as an American ranch where the American horses can roam as they wished.

The PLO also has stated its opinion. It has declared its stand: It will not permit Reagan or his administration or any other American administration to become the master of the area. The PLO, as its leader Abu 'Ammar had said, frightens others and is not afraid of others. It threatens others although others cannot threaten it.

From this platform, Reagan's threats or political thoughtlessness will not have any effect. Reagan knows this and his imperialist administration knows it full well. They know what the PLO means and what it represents in the area and in the international arena.

What are the weapons that still remain in Reagan's hands to use against our Palestinian people and their revolution under the leadership of the PLO in order to implement his threats? Reagan and his imperialist administration uses via the base that is called Israel all that the U.S. military arsenal has of weapons, including those that are internationally prohibited, including germ-warfare weapons. They used them against our Palestinian people in Lebanon and in occupied Palestine. What was the result? More steadfastness, more confidence and more attachment to the PLO as a sole legitimate representative of the Palestinian people.

One wonders if U.S. President Reagan has seen the fingers of the children who survived and remained in the Sabra and Shatila camps after the horrible massacre committed by partnership of the United States and Israel. Has he not seen the victory sign and heard their shouts with their young voices: Yes to the PLO? Has he not seen the Palestinian girl students who were poisoned by U.S. civilization [as heard] while they were raising the victory signs from hospital beds and nailing their Palestine and the PLO and its leader Abu Yasir 'Arafat? Have Reagan and his administration not seen all this?

We address one final question to Reagan: We wonder if you have not read the reports of the envoys of the U.S. Congress and U.S. Government who visited the Middle East area and occupied Palestine in particular. If you have not read those reports, you should read them. In any case, do what you like-- we are waiting.

CSO: 4400/302

PALESTINIAN AFFAIRS

PLO RADIO RAPS REAGAN REMARKS AGAINST PLO

JN231907 Baghdad Voice of PLO in Arabic 1632 GMT 23 Apr 83

[Commentary by station political editor]

[Text] I do not believe that what some PLO elements are doing will prevent us from trying to find a solution to the problem of the hundreds of thousands and millions of Palestinians who are just demanding a homeland. Strange enough, brothers, these words came from U.S. President Ronald Reagan [words indistinct].

We call on Reagan, who believes in elections and in the votes of the Jewish lobby in the United States more than he believes in right and justice and even in U.S. interests themselves, to be as daring as he is against us and call a UN referendum among the Palestinians to choose their own representatives. Or, let us be modest and not ask the U.S. President to do what is not within his power and simply ask him to recognize the right of the hundreds of thousands and millions of Palestinians to self-determination, which is the basis of their demand for a homeland. Or is it the U.S. President's opinion that these thousands and millions of Palestinians should remain without representation and rights, just as they are without a homeland?

Reagan says that the U.S. efforts to solve the Palestinian problem and to settle the Arab-Israeli dispute must not be obstructed and that the fate of the negotiations must not be dependent on the participation of the PLO. Negotiations between whom? The solution of the Palestinian problem in what way? In the interest of which of the parties to these negotiations? Never mind.

During his recent visit to Japan, Brother Abu 'Ammar [Yasir 'Arafat] responded to a statement by the Japanese foreign minister that the PLO is one of the main representatives of the Palestinian people. Brother Abu 'Ammar said: But why did you not tell me, sir, who these other main representatives are so that I could have asked them to accompany me here?

And we are asking: Why does Reagan not tell us who he wants to represent the Palestinians with their hundreds of thousands and millions?

CSO: 4400/302

PALESTINIAN AFFAIRS

GAZA MAYOR COMMENTS ON PALESTINIAN, JORDAN TIES

NC252122 Beirut MONDAY MORNING in English 18-24 Apr 83 pp 52-55

[Article from Randa Taqiy al-Din in Paris]

[Excerpts] The mayor of Gaza has called on the Palestine Liberation Organization to delegate King Husayn of Jordan to speak for the Palestinians in peace talks with Israel, declaring that this "is the wish of the majority of the Palestinians."

In a long-distance telephone interview between Gaza and Paris, Mayor Rashad al-Shawwa told MONDAY MORNING he personally would delegate King Husayn without any hesitation.

The full text of the interview, which was conducted in English:

[Question] How will the current breakdown in the Jordan-PLO talks affect the future of the West Bank and Gaza, in your opinion, and how has it affected the morale of the people of the West Bank and Gaza?

[Answer] To my understanding, the door remains open and there has not been a complete breakdown. The internal political activity that has taken place since the first hint that things may not be going smoothly has been so intense, and it has been played up so much and so continuously, that the continuation of the process is indicated; it has not fallen out of our grasp.

However, the initial effect certainly dealt a blow to our people, whose hopes were perhaps running a little high. You must remember that no negotiation has ever reached a stage as conducive to optimism as this.

Annexation (of the West Bank) is probably the last thing the Israelis want. The problem that would be caused by theoretically granting the Palestinian population equal rights with the Israeli citizens--since that is what would happen if official annexation took place--would be so great that I doubt that annexation is being officially considered.

However, the situation as it stands amounts to a de facto annexation, without any rights for the Palestinian population. The steady, arbitrary introduction

of Israeli law, Israeli taxation and Israeli population to the occupied territories merely supports the fact that the economic link is now virtually complete, with massive dependence on Israel by the occupied territories.

So it is not a question of avoiding future annexation but of dismantling the present de facto annexation.

The overwhelming majority of the Palestinians in Gaza and the West Bank have seen the talks as the only glimmer of hope in an otherwise hopeless situation, so it is not surprising that the feeling of desperation has increased and morale is very low. There is a feeling of bitterness directed at those felt to be responsible for the breakdown. It is felt that it is unfortunate that the unrealistic objections of the vociferous critical minority were accepted and given importance which is disproportionate to their size.

However, I personally feel that responsibility for the failure of the talks rests fairly and squarely with the United States.

Even a cursory analysis of the probable course of such an initiative as the Reagan plan would have indicated that extremist elements would do all in their power to destroy its chances of success. This was accepted as inevitable by all observers, but it was hoped that the U.S.A., as the instigator of the initiative, would support the chances of the moderate majority's line by flexing more political muscle when it came to warning Israel of the negative effects of its settlements policy. The U.S.A. also failed to convince any undecided Palestinians of its potency by its performance in dealing with Israel during the Lebanese peace talks, thus adding directly to its responsibility for the breakdown.

[Question] If you were the PLO, would you delegate King Husayn on the basis of the Reagan plan? And do you think your view is shared by a Palestinian majority in the West Bank and Gaza?

[Answer] My answer is yes, for three reasons:

First, because we are only going to discuss the future. To sit down and talk does not imply any form of commitment, but at least it offers the possibility of success. If we cannot get past the first stage and never begin a dialogue, we are definitely not going anywhere. It's as simple as that.

Secondly, because I have every confidence in King Husayn, the inter-connections between Jordan and the Palestinians are now so complex and the Palestinian population in Jordan so large that the rights of the Palestinians are actually the rights of the Jordanians. King Husayn needs to resolve our dilemma as much as we do.

Thirdly, I would delegate King Husayn because this, to my mind, is the wish of the majority of the Palestinians. There is no major rift, nor will there be one (among the Palestinians). The extremist groups form a minority in

opposition to the main body. This is in fact a sign of our healthy democratic process that should be welcomed. I feel that 'Arafat should have continued. Where else, even in the most liberal democracies of the Western world, does one find 100 percent agreement?

[Question] What is your reaction to King Husayn's announcement that he is no longer involved in the West Bank and Gaza issue?

[Answer] To my knowledge, the Jordanian Government has not made any announcement that the king will no longer be involved in the West Bank and Gaza issue. I am certain that Husayn himself has not. His involvement with Palestinians is such that he can never be indifferent. In fact, the Jordanian Government, in the statement to which you refer, actually commits itself to the continuation of support to the Palestinians and the occupied territories.

[Question] After the events of the past year, what is your attitude towards the Arabs in general, and Jordan, Saudi Arabia and Syria in particular?

[Answer] It is honestly impossible to isolate Arab nations for individual comment. Throughout our struggle we have relied on our Arab brethren so much that our great appreciation in general must not be soured by individual incidents over such a long period. Any shortcomings have been the result of misguided action due to some Arab nations or groups being uninformed about the reality of our situation. All such action has had at its root the eventual good of the Palestinians, although it often acted against us.

The support given in general to the peace talks is in itself a refreshing sign that closer, more realistic thought is being given to our situation.

I would also like to add that although our Egyptian brethren possibly erred in their judgement in the past few years, their present support and efforts to resolve our position have not gone without notice and are especially respected and appreciated.

[Question] Do you see the assassination of 'Isam al-Sartawi as a kind of intimidation aimed at preventing a common PLO-Jordan stand?

[Answer] I don't think so. I don't want to say anything specific about this, but I don't think so. I think it is a foreign element that is responsible for this, perhaps indirectly. It may be an Arab hand that did it, but there is undoubtedly someone non-Arab and anti-Arab behind it.

CSO: 4400/302

PALESTINIAN AFFAIRS

'AL-MAJALLAH' REPORTS ON FRENCH-PLO SECURITY COOPERATION

PM251209 London AL-MAJALLAH in Arabic 23-29 Apr 83 p 8

[Article from the "AL-MAJALLAH Envoys" feature]

[Text] Well-informed diplomatic sources in Paris have revealed to AL-MAJALLAH hitherto undisclosed details of the secret meetings which Salah Khalaf, Abu Iyad, a leading Fatah member, has had with French personalities close to President Mitterrand during the past few months. The meetings caused an uproar in France and aroused the interest of European circles when reports about them were leaked last week.

The sources told AL-MAJALLAH that Abu Iyad has visited Paris three times during the last few months and held three long, closed meetings--the latest being last March--with two persons close to the French president. These were: Francois de Grossouvre (a personal friend of and very close to Mitterrand whom the president has charged with several special missions in the Middle East) and Joseph Franceschi, secretary of state for public security. The meetings were held in de Grossouvre's residence in Paris and were shrouded with great secrecy for political and security reasons. These were the highest-level French-Palestinian meetings held in Paris.

The sources told AL-MAJALLAH that the meetings dealt in particular with two main topics: security coordination and the development of relations between the PLO and France. The sources said that security coordination dealt with specific issues concerning the activities of certain individuals and organizations. As a result of this coordination several operations which a certain organization was intending to carry out in France were thwarted. Discussions also dealt with the question of establishing security cooperation between the PLO and the EC as a whole.

Another important aspect of these meetings is that they aim at strengthening the PLO's political presence in Europe and Palestinian-European relations. The question of developing relations with the PLO in the various fields was also discussed at the meetings. In this regard there is a great possibility that Yasir 'Arafat will visit Paris next summer.

CSO: 4400/302

PALESTINIAN AFFAIRS

BRIEFS

PLO FACING FINANCIAL DIFFICULTIES--London--Press reports that have reached AL-HADAF say that the PLO is facing a financial deficit because several Arab countries are stalling in paying their subsidies to it. Salah al-Dabbagh, the PLO's former financial officer who resigned his post during the Palestine National Council meeting in Algiers last February, is reported as saying: Although Saudi Arabia has paid its \$28 million-subsidy to us, and although we have received lesser sums from Kuwait and Qatar, these sums do not meet the PLO's growing deficit. AL-HADAF has learned that Iran and Libya have stopped paying. Press reports [word indistinct] and these are mainly West European and U.S. press reports [word indistinct] say that the PLO is studying the feasibility of participating in commercial transactions that have a high profit yield in various parts of the Near East. [Text] [GF231333 Kuwait AL-HADAF in Arabic 22 Apr 83 p 1

ABU NIDAL MOVEMENTS--Paris LE MATIN in French 20 April 1983 carries on page 3 a 1,300-word Jacques de Vernisy Baghdad dispatch entitled "Visit to Abu Nidal's Headquarters in Baghdad" in which he describes a visit to the office in downtown Baghdad which houses Abu Nidal's "Fatah-Revolutionary Council office." De Vernisy cites Yusuf, one of the officials at the headquarters, as saying that Abu Nidal is "in the al-Biqa' plain in Lebanon. He is with 'Abd al-Rahman 'Isa, our movement's spokesman." However, De Vernisy adds: "At the official PLO office we're told that Abu Nidal, continuing his toing and froing between Iraq and Syria, was at present in Damascus. Western diplomatic sources told us that he was 'probably in Aden, in Yemen'...." De Vernisy goes on to say that Yusuf told him that they were well aware that Joseph Franceschi, the secretary of state for security, "has had several meetings in Paris with PLO number two Abu Iyad and that the latter revealed some of their secrets to the French police." However, he added that they claim to be able "to move around Europe with complete freedom." De Vernisy concludes by saying that as he left the headquarters Yusuf offered him the chance of a meeting with Abu Nidal in al-Biqa'. [Editorial Report]

MAGAZINE CONDEMNS U.S. ANTI-PLO STANCE--Nicosia, 23 Apr (KUNA)--The PLO official weekly magazine FILASTIN AL-THAWRA Friday lashed out at the United States and President Ronald Reagan for their anti-PLO stance. The magazine

said in an editorial that the U.S. had put the PLO before two choices either to accept the Reagan plan or face 'the American war with all its local, regional and international implications.' The magazine condemned Reagan's statement that he would not let 'the forces of violence and terrorism' foil his play saying that 'the history of the successive American administrations is full of hostile attitudes to the PLO.' The magazine recalled PLO Chairman Yasir 'Arafat's description of the Reagan peace plan as 'does not fulfill the requirements of just and lasting peace' and noted that other plans, such as UN resolutions and the Soviet plan 'are adequate to establish just comprehensive and lasting peace.' The editorial urged the Arab states to learn from their experience that impotence leads only to more impotence and defeats, and that the elimination of the PLO will mean the elimination of all the Arabs and consequently the loss of a cause. [Text] [LD232006 Kuwait KUNA in English 1627 GMT 23 Apr 83]

CSO: 4400/302

FUTURE OF SYRIAN-IRANIAN RELATIONS EXAMINED

London AL-DUSTUR in Arabic No 280, 4 Apr 83 pp 17-19

[Article by D. 'Ali Nurizadeh]

[Text] Battles broke out last week between Iranian tourists and Syrian police. These battles began with hands at the Damascus airport and ended with hands and feet in the halls of first-class hotels in the Syrian capital.

This was the first experience with the agreement reached between Khaddam and Velayati. Observers were not surprised by what happened. It is common knowledge that what links the Damascus and Tehran regimes together is their common hatred of the Arabism represented by "Baghdad." The most prominent of its modern symbols. What surprised observers is that the battles of the "Iranian tourists" were on such a scale as to frustrate all attempts at maintaining the familiar news blackout. Even more surprising was what these "battles" revealed about the basic conflicts between the two parties of the unholy alliance.

How did tourism change into a trade in opium and rugs and Khomeyni-like anarchy? How do Tehran and Damascus pretend not to notice each other? And what are the limits of agreement and the limits of disagreement? This is the story of the battles from "A" to "Z".

Where are the Syrian-Iranian relations heading now? Will the coming days witness a new stage in these relations? Why?

These and other questions were raised by observers after what happened in Damascus at the hands of Khomeyni's Iranian tourists who visited Syria during the Iranian New Year's holidays. These questions have stimulated a search for the causes and factors responsible for what occurred in Damascus. This was not the first time it happened.

The news of tension in the relations between Damascus and Tehran took some observers by surprise. We at AL-DUSTUR discussed in No 273 (14 February 1983) events that took place early this year in Damascus. They were also the work of Khomeyni's tourists in Syria and they provided a complete picture of the background of the events that took place in Damascus 2 weeks ago. The file must be opened and its contents inspected more closely.

Three Holy Cities

The Iranians regard three cities as holy: Karbala', al-Najaf, and Damascus. The bodies of Sayyid Husayn and his brother Abu-al-Fadl al-'Abbas lie in Karbala'. The grave of Mawlana 'Ali ibn Abi Talib is in al-Najaf. The body of Sayyidah Zaynab, daughter of 'Ali, the peace of God be upon her, lies in Damascus.

Shi'i Iranians, rich and poor, have for a thousand years been dreaming of seeing and visiting these three cities. He who is able to visit a holy city is deemed to be related to it. There are Iranians whom people call a "Damascus pilgrim" or "Karbala' pilgrim" or Najaf pilgrim."

During the last few centuries millions of Iranians visited the holy places in Iraq and Syria, and some of them took up residence in these countries. No wonder then that we see in the streets of Iraqi or Syrian cities signs reading "Factory of an Isfahan Pilgrim," "Shop of Abu-al-Hasan al-Hamadani," etc.

This has been the situation for hundreds of years. Ordinary Iranians dream of visiting Damascus, Karbala', and al-Najaf for religious reasons.

There was also a minority of educated people who came to Damascus and Baghdad because of the scientific and cultural levels of these cities. In the Saljuq period, the Iranian vizier Hoja Nezam al-Din founded the so-called Nizamiyahs in Baghdad and Damascus to which more than a hundred students, lecturers, and scholars came as invited guests in the 5th, 6th, and 8th centuries A.H. The great Iranian poet Sa'di was a lecturer in Damascus. Then too hundreds of Iranian intellectuals fled for safety to Damascus after the Mongol onslaught and took up residence there to pursue their scholarly studies. Thereafter, and even in stormy times, Iranian scholars frequently visited Damascus.

The visits and contacts continued until the 20th century when our generation inherited the dream of visiting [Syria] from our fathers and grandfathers.

'Abd-al-Nasir was in Cairo fighting colonialism and reaction. Our generation which had lost "faith" looked upon 'Abd-al-Nasir as a hero coming from the East to liberate it from despotism and colonialism. Our generation added the "dream" of a visit to Cairo to the dream of the earlier generations.

Cairo was the stone of the same pillar, forbidden to us because relations between the Shah and 'Abd-al-Nasir were broken off.

Because our generation found it difficult to visit Cairo, it went to the cities closest to it not only geographically but politically and culturally. That is why it was important for us to go to Damascus, despite the fact that relations between Iran and Syria were not as we desired.

In the 1960's there was a weekly flight from Damascus to Tehran on a Syrian airline plane. In their trips to Europe, educated Iranians preferred to ride this plane, if only to spend a night in Damascus before going on to Europe. Since it was known that direct flights from Tehran to European capitals on

European and American jet planes were cheaper and easier, then one could understand how important visiting Damascus was for educated Iranians in particular and ordinary travelers in general who would visit Damascus or Iraq directly or en route to Mecca.

During the pilgrimage and Iranian New Year's holiday periods, Damascus was host to thousands of Iranians who came there to visit, do sightseeing, and buy local gifts. Among the veiled women, a Damascene 'abayah was a source of boasting and pride.

With the existence of these historical relations and background, the people of Damascus heard that 300,000 Iranians would be coming to Syria this year. They prepared to welcome them and the Syrian government worked out special arrangements in view of the tourist treaty between Syria and Iran in force since the first week of last June after an official visit to Tehran by the minister of information and tourism. Both parties agreed to an exchange of tourists.

Because of the Iranian-Iraqi war, Iranian tourists were unable to visit the holy places in Iraq. This enhanced the importance of visiting Damascus.

A week after the agreement was signed, notices appeared in the official Iranian newspapers inviting the people to come forward with their requests to visit Syria after paying 6000 tomans, i.e., \$1000, to the Central Bank in Iran.

Khomeyni's government stole more than a billion dollars from Iranians desirous of visiting Syria. It sent its hirelings instead of them.

The Iranians were imploring the heavens for an opportunity to escape, if only for a week, from Khomeyni's hell. So more than a million of them rushed to the Central Bank and paid the sum of money required to visit Syria. The government collected \$2 billion from the people and then turned around and announced it could not send a million Iranians to Damascus in one year. Therefore, "lots would be drawn" to select the number desired. Whoever was unlucky this year could wait until next year.

The lots were drawn and the government sent the million Iranians letters telling them all that they had won and would have to pay the required sum to visit Damascus, despite the fact that no one was chosen from among those who paid the sum set for the visit because the decrees of Imam Khomeyni and the government of the Islamic republic stipulated that the visits this year would be made by the families of war casualties.

Thousands of Iranians felt despondent over the crushing of their dream of visiting Damascus and enjoying a short period of relaxation during which they could reflect on the recent past, see movies and television programs, and avoid, if only for 7 days, the destruction (around them) and Iranian television which sends out only news of death and pictures of mullahs.

A Different Kind of Tourist

At any rate, the story of the Iranian tourists and their government did not come to the attention of the Syrian government. In Damascus, they were imagining

that this year's tourists would be like the tourists of old who spent money, bought gifts, and filled the places of entertainment and coffee houses.

When the first Iranian plane arrived in Damascus, all the passengers were Khomeyni's hirelings. This had the impact of a thunderbolt on the authorities and then on hotel personnel and shopkeepers.

What happened at the airport? And why did Khomeyni's tourists fight with the Syrian police?

A reporter who met in Tehran with some of the tourists sent back by the Syrian authorities told AL-DUSTUR by telephone the following story:

A week before the new group of Iranian tourists, estimated at 3000, departed for Damascus on the occasion of the New Year's holiday, they were ordered to go to the club of the Ministry of Islamic Guidance on Beheshti Street in Tehran.

Minister of Guidance Khatami was there and he told them: "You are our ambassadors on this journey and you will be going to a country that supports us in our war with Iraq. This is evidence of our friendship. However, we know for a fact that this regime promotes corruption and obscenity. I visited Damascus myself and witnessed the corruption with my own eyes and hundreds of amusement places and cabarets. And I learned a good deal about Hafiz al'Asad and his brother who lives like the Shah. You are on your way to a country that does not respect Islam. These are my instructions to you."

Khatami addressed Khomeyni's "tourists" and gave them his instructions as follows: "You must show the people of Damascus your love for Khomeyni who has given you, and no other Iranians, this opportunity and chosen you for this mission. Go to Damascus with pictures of the imam and anti-blasphemy and anti-atheism posters. Write our slogans on the walls of Damascus and shut down the cabarets and amusement places, etc."

Khomeyni's hirelings listened to the instruction of his minister and boarded the Iranian plane for Damascus. At noon the day following the minister's remarks, the tourists arrived at the new Damascus International Airport where imposing buses were waiting to take them to such large hotels as the Sheraton, Hilton and Meridien.

At the Damascus Airport

As soon as Khomeyni's tourists landed, they rushed to the waiting room where they began to hang pictures of Khomeyni and posters on the walls of the new terminal building which cost millions of dollars. The airport police intervened and prevented them by force - to the point of physical clashes - from continuing. Then they drove them out of the airport into buses that took them to luxury hotels.

Scarcely an hour later all hell broke loose. The hotel managers called the police who did not believe their eyes. Khomeyni's hirelings were breaking glass in the dining rooms and places where the video and TV sets were kept, sticking up hostile slogans, and invoking Khomeyni.

The authorities arrested some of the tourists and told them they didn't deserve to stay in luxury hotels. They were then transferred to modest hotels in poorer quarters near the markets.

This did not end the crisis. The next day Khomeyni's tourists went into the streets. Instead of buying gifts from the shopkeepers, they began to offer Damascus merchants smuggled Iranian goods that they had brought with them. Khomeyni's tourists sold large quantities of rugs and contraband jewelry under the close auditory and visual supervision of Iranian agents. Whenever the Iranians entered a place to sell the smuggled goods, the Syrian merchant had to listen to stories and harangues about the "Iranian revolution", Khomeyni's righteousness, and the atheism of the Syrian government.

An Iranian newsman says the Syrian authorities arrested some of Khomeyni's hirelings because large quantities of drugs were found in their possession. Some of them were able to smooth things out and so they were released. But those who were arrested in the streets, especially those who accidentally encountered former President Carter and his wife passing through the streets of old Damascus, were quickly tossed out of Syria because of fear that the incident would affect Syrian-American relations, particularly since the Iranians jeered in a way that embarrassed the Syrian authorities vis-a-vis the United States.

After this succession of events, the Syrian Foreign Ministry summoned the Iranian ambassador Hojjat ol-Eslam Mohtashemi. 'Abd al-Halim Khaddam informed him of his government's anger at the actions of Khomeyni's tourists. Mohtashemi was told that Syria is not like other governments and that it would confront with an iron hand anyone endangering its security.

The message to Mohtashemi from the Syrian minister of foreign affairs was clear. He transmitted it to Iran along with a rumor that circulated in Damascus to the effect that the Syrian authorities would issue a ban on the entry of Iranians unless the Iranian government guaranteed their (good) behavior.

Iranian government agencies assert that the mullahs who were against Syria found their golden opportunity to attack the Damascus regime, despite official silence in Tehran.

Last week the Iranians listened to addresses during the Friday prayers in the city of Qom and heard Hojjat ol-Eslam Hazawati say: "This evening I received a letter from one who was disabled for the sake of the revolution and when I read it I wept because this distinguished person explained to me the repulsive actions taken by the Syrian authorities against him. Is this the truth? Syria must know that we will not pardon unbelievers even if they wear the clothing of friends."

The Iranians understood the intention of the speeches and they were sure something was wrong because they know that when the government wants to attack a state or a leader indirectly, it relies on speeches and on lower level mullahs. These are usually the beginning. Then it waits for the reaction. If the reaction is silent, the attack is halted. If the reverse is the case, the next step is for the government to make a direct attack on the particular leader or state.

That has happened in Iran many times with Turkey and Pakistan, and now it is Syria's turn.

Will Hafiz al-Asad confront Khomeyni silently? Will Khomeyni in the coming days lose his close friend? These questions are searching for an answer and we can only wait.

5214

CSO: 4404/328

DAMASCUS COMMENTS ON STATUS OF GOLAN HEIGHTS

JN211547 Damascus Domestic Service in Arabic 1115 GMT 21 Apr 83

[Report from the "On the Events" program]

[Text] Enemy Prime Minister Menahem Begin has announced that the status of the Golan Heights will be determined by the law which provides for the annexation of the Golan Heights by the Zionist entity. This provocative announcement coincides with a military escalation, represented by the massive military buildup in the Al-Biqa' and other areas in preparation for a large-scale aggression against Syria and by the military exercises being carried out in the Golan Heights, such as civil defense training.

At a time when Israel is preparing for an aggression which is approved by Washington, Begin's announcement comes as a political element to be added to the tense military atmosphere which prevails in the region as a result of the Israeli military movements in Lebanon. This reaffirms that Israel will not willingly go back on an expansionist law which was enacted against the Golan Heights and the West Bank. This in turn refutes what has been said about the negotiations with Israel possibly resulting in its giving up the occupied land, whether the matter concerns the Golan Heights, the West Bank and Gaza or southern Lebanon.

Begin's announcement is not only provocative, but also stresses an established reality in Zionist policy. If settlement and occupation cease, Zionist doctrine will also cease to exist. This will not be considered by Begin's government or any other Israeli government. Menahem Begin alleges that the status of the Golan Heights will be determined by the annexation law; Israel can enact a law but it will not be able to make it a permanent reality. President Hafiz al-Asad said that the Golan Heights was not occupied under a law and will not be liberated under a law. This statement applies to the Golan Heights and any other part of the occupied Arab land, whether Begin accepts this fact or not. We have the means for liberation and the belief and ability to liberate our land and restore all the Arab rights, whatever the strength of Israel and its supporters may be.

CSO: 4400/304

TRENDS IN PUBLIC INDUSTRIAL SECTOR DISCUSSED

Damascus AL-BA'TH in Arabic 6 Mar 83 p 7

[Article by Salma Kamil: "Tuesday Economic Symposium on Country's Industrial Development; Country's Industrialization Trends"]

[Text] Within the framework of the research and studies presented by the Tuesday Symposium over the past two years, the Economic Sciences Association's Tuesday Symposium has commenced its program for this year with a lecture by Comrade 'Abd al-Qadir Qaddurah, deputy prime minister for economic affairs. Dr Taha Bali, the Economic Sciences Association's deputy chairman, introduced the lecturer in an opening address in which he welcomed the fraternal participants. He then pointed out the importance of the symposium and of the studies it deals with regarding industry and industrial development in Arab Syria in an effort on the association's part to bolster the country's economic and social progress, to spread economic awareness among the public, to utilize all of the economic capabilities and expertise taking part in these studies and, subsequently, to present the conclusions to the authorities concerned to help them deal with economic problems generally and industrial problems in particular. The program's first effort in this symposium is the lecture by Comrade 'Abd al-Qadir Qaddurah, deputy prime minister for economic affairs, not just because he is a party and state official but also because he was formerly engaged in the public industrial sector and is one of the builders of this sector. The program invited him to lecture so as to benefit from his expertise and his knowledge in this field.

'Abd al-Qadir Qaddurah, deputy prime minister for economic affairs, inaugurated the research program of the third Tuesday Economic Symposium on the country's industry and industrial development with a lecture entitled "The Country's Industrial Trends." It can be said that this lecture and the subsequent discussions, which lasted nearly 3 hours, were in effect a full review of the country's public industrial sector and of the steps and solutions taken to enhance this sector by developing and improving production through ideal management of the capacities that have been put into operation in implementation of the directions of the fifth 5-year plan.

What Was Our Goal in Establishing Industry?

At the outset of his lecture, the deputy prime minister said that talk about industrialization tendencies is broad and diverse because the country has entered the industrial sphere with an ongoing momentum and has developed an industrial base on whose yield millions of people depend. Therefore, it is necessary to put this industry on a sound course through constant follow-up. The lecturer then asked: What is our goal in establishing this industrial base?

He answered: The main goal is self-sufficiency within reasonable limits, creating work opportunities and trying to process the raw materials that we previously marketed only as raw materials.

The country has established its economic base according to this principle. If there has been deviation from this course, then this is due, said the lecturer, to the fact that no effort can be complete and accurate at its outset. We have learned from the experiment and we have gained broad experience at a price paid in the course of this long march.

The deputy prime minister asked: Has the mistake been in establishing industry or in failing to engage in serious follow-up at the time of construction and during production phases?

In this respect, the lecturer asserted that the state has proceeded in the fifth 5-year plan in completing the remaining projects of the fourth 5-year plan, creating employment opportunities and operating these projects effectively on the one hand and setting up new projects on the other hand. We have said that we will set up no new project until its economic feasibility is proven.

Raising Our Phosphate Production

The lecturer added that clear principles have been established for the coming industrialization phase and that these principles are founded on meeting local needs and on dispensing as much as possible with imports and subservience, because we do need in some of our plants, as is well known, foreign expertise and spare parts. This is what has made us accept some contracts to supply these parts. Therefore, it is essential that we focus more strongly on processing local materials when their economic feasibility is proven. In the 5-year plan, we have given considerable importance to agro-industries, to agricultural complexes and to the manufacture of spare parts. The new aspect in industrialization is the start of exploitation of the new gas resources in the country. A project has been set up to transport this raw material from the central area. The state is also exerting efforts to increase our phosphate production and to build plants using phosphate as the main material.

But what should the priorities in industry be?

The lecturer said that priority is given to projects that depend least on importing raw materials so that we do not again commit the mistake we made in the past. Insofar as spare parts are concerned, the concept of the industrialization strategy is to reduce interest in industries that depend on [imported] raw materials.

What problems of the industrial sector have we dealt with?

The deputy prime minister affirmed the existence of problems in most of our economic sectors, including the public industrial sector, adding that problems will inevitably exist as long as we are moving and producing. What is important is that we have not stood still and watched all these negative aspects but have worked, according to the lecturer, to find solutions for them, and we have achieved many solutions.

Ideal Operation of Capacity

The question is: Which of the industrial public sector's problems have we dealt with? The lecturer answered: We have established the slogan of ideal operation of the capacities being implemented, a slogan that has been 90 percent achieved in most of our industrial installations. As for the installations where the slogan has not been realized, they have had no hand in the matter. The sugar establishment, for example, needed raw materials to attain a 90-percent rate. We have recently made efforts to supply these materials. Whereas our best production was 250,000 tons in 1982, it will jump to 1 million tons in 1983.

In addition to implementing the slogan of the ideal operation of capacities, the state has worked to solve the problem of telephone communications, considering that some of the installations have, at times, been cut off from the world for months. But now a modern central telephone network linking all Damascus plants has been built.

Another important issue dealt with, according to the lecturer, is the problem of waste. This slogan was raised last year and there has been follow-up on it in our economic establishments, especially the industrial establishments. The instructions are that there are waste criteria and levels that must be observed and must not be exceeded.

The lecturer added: Within this advance, we have begun to deal with the issue of second and third shifts. We have achieved satisfactory results. We have studied this experiment carefully because these shifts reduce production costs by 20-30 percent.

Attention to Liquidity and Standards

One of the main problems experienced by the public industrial sector is the problem of the availability of cash liquidity. Since 1980, the state has been exerting efforts to allocate the funds necessary to solve this problem. Within 3 years, more than 1 billion Syrian pounds have been disbursed to provide the liquidity needed by the plants.

How can we ask a company or a factory to make profits when the general director has to turn to the Public Loans Fund to ask for a loan at a 9-percent interest rate?

One reason for the lack of liquidity is the requirement that the public sector maintain a 3-month supply. This means freezing a certain amount of capital. If the production is delivered to the marketing establishments and if they fail to market it, this capital will remain frozen.

The lecturer added that the state has adopted measures to speed up the pace of industrialization, to increase production, to reduce waste and to diminish administrative spending in a rational and thoughtful manner. Maintenance and training work has begun to take its normal course, considering that periodic maintenance is one of the main factors in turning out a positive yield for producers and in reducing costs. Attention is being devoted to the issue of standards. We don't say that we want to produce goods with standards similar to those with a long history behind them. What is important is to begin, to respect the citizen and to give him a good commodity. The lecturer added that we don't want increased production at the expense of quality, standards and the producer's costs. But when these conditions are met, increased production becomes acceptable. Only then will it be possible to implement the principle of incentives.

Search for Energy Alternatives

The deputy prime minister stressed the importance of energy streamlining because insofar as electric energy is concerned, we will find ourselves in a bottleneck if we do not streamline this energy and use it economically.

Considering that future industrialization trends will depend on electricity, it has become necessary to study every drop of water in the country and to build a number of dams. A number of dam projects are currently under construction, such as the Tishrin dam, the regulatory dam, elevation of the Euphrates dam and a number of surface dams in al-Hasakah, with the purpose of generating electricity and of utilizing the water for agricultural and irrigation purposes.

The lecturer added that the energy issue has motivated us to search for an alternative, and people have become seriously interested in the feasibility of solar energy. In the Ministry of Oil, we are conducting studies on the use of solar energy in heating buildings because the current use is confined to heating water only. Consideration is also being given to the use of coke as an alternative energy source. There is a proposal to build a power plant fueled by coke.

Industry Supplies Budget With 841 Million Pounds

The deputy prime minister said that the public industrial sector has become a firm base for socialist transformation because it supplies the essential needs of the citizens and constitutes a part of their daily life.

Through various measures adopted recently, this sector has been able to produce positive results. Account accumulation, the lecturer asserted, will become a memory. In 1982, instructions were issued to implement the system of industrial costs [presumably cost accounting] and some companies have achieved progress in this regard. What is more, some companies have reached the point of applying standard costs.

These measures and their continuation, which is not tied to a set period of time, can give the industrial public sector health and strength.

The lecturer further said that this trend in industry has made it possible to achieve positive results. This year the public industrial sector supplied the state budget with 841 million Syrian pounds, excluding income taxes. Whereas some plants, such as the yarn, textile and rubber plants, were losing in the past, they have now become profitable.

To underline the positive role developed in the industrial sector, the deputy prime minister cited a number of statistical gains achieved in the basic industries last year and expected to be achieved in 1983.

In 1982, the value of textile industry production rose by 22 percent over 1981 and is expected to rise by 90 percent in 1983. The increase in the food industries amounted to 29 percent and will rise to 47 percent in 1983. In the engineering industries, the value rose by 14 percent and will rise by 45 percent [in 1983]. In the chemical industries, the value rose by 93 percent and the increase will reach 300 percent in 1983. The value of sugar production rose by 3 percent and will rise by 19 percent in 1983. The increase in the cement industry amounted to 76 percent and will rise to 124 percent in 1983.

As for worker productivity, it rose in 1982 over 1981 as a result of improved working conditions. This productivity rose by 63 percent in the textile industry, 8 percent in the food industries, 24 percent in the chemical industries and 58 percent in the cement industry.

The public industrial sector's sales in 1982 amounted to 5.825 billion Syrian pounds.

8494

CSO: 4404/298

AGRICULTURAL SECTOR'S PROGRESS OVER PAST TWO DECADES REVIEWED

Damascus AL-BA'TH in Arabic 6 Mar 83 p 7

[Article by Dr 'Abd al-Malik al-Akhras: "On Periphery of 20th Anniversary of March Revolution: Development of Agricultural Sector and Its Role in Economic and Social Development Process"]

[Text] Industrial Crops

Cotton is the country's most important industrial crop and its main export crop, followed by beets, which provide the raw material for the sugar industry. Then follow tobacco, peanuts and other crops used in industry.

From 1963 to 1970, cultivated area totaled almost 300,000 hectares producing nearly 642,000 tons of cotton. Statistics show that the cultivated area decreased and production increased between 1970 and 1980.

Whereas cultivated areas decreased 18 percent in 1981 compared with 1970, we find that general production in 1981 rose 53 percent over 1970. It is natural that this is due to the increased productivity achieved as a result of the attention paid to agriculture and to securing the necessary agricultural production requirements, such as fertilizer, pesticides, machinery and so forth. Productivity rose from 2.2 tons per hectare in 1970 to 4.1 tons per hectare in 1981, growing by 81 percent over 1970, whereas this productivity rose by just 38 percent between 1963 and 1970.

To demonstrate the development occurring in this sector, let us review the following figures:

Year	Area (in hectares)	Production (in 1,000 tons)	Productivity (per hectare)
1963	314	523	1.6
1971	298	678	2.3
1981	238	981	4.1

Vegetables

Even though vegetables are considered important food sources for all classes of the people, we find that the acreage cultivated with vegetables decreased in 1970 by 27 percent compared with the acreage cultivated in 1963 and that, consequently, production dropped in the same period by nearly 10 percent.

But between 1970 and 1981, the cultivated acreage expanded annually and constantly, reaching nearly 301,000 hectares in 1981, i.e., rising by 162 percent over 1970 and by nearly 91 percent over 1963.

Production rose 385 percent in 1981 over 1970 and nearly 335 percent over 1963. This increase was paralleled by the following increase in productivity:

Year	Acreage (in 1,000 hectares)	Production (in 1,000 tons)	Productivity (tons per hectare)
1963	158	882	5.6
1971	129	1,106	8.6
1981	301	3,837	12.7

Fruit Trees

Even though the production of fruit trees, excluding olives, is considered of secondary importance as a food source for various classes of the people, the revolution has devoted the necessary attention to this sector, especially since the inception of the corrective movement in the early 1970's.

The acreage cultivated with fruit trees grew annually, in 1970 totaling nearly 259,000 hectares cultivated with nearly 71 million fruit trees, which produced about 435,000 tons of various fruits, an increase of 7 percent in the cultivated acreage and 21 percent in production compared with 1963. Meanwhile, we find that the growth in the acreage cultivated with fruit trees between 1970 and 1981 was 92 percent, paralleled by an increase of about 139 percent in production and 42 percent in the number of productive fruit trees.

The increase in production by a higher percentage than the increase in the cultivated acreage is due to an increased productivity of about 70 percent in 1981 over 1970 and of 108 percent over 1963.

The following chart demonstrates the acreage, production and productivity of fruit trees between 1963 and 1981:

Year	Cultivated Acreage (in 1,000 hectares)	Number of Productive Trees (in 1,000 trees)	Production (in tons)	Productivity (tons per hectare)
1961	241	71,363	359	5.0
1971	260	72,510	523	7.2
1983	497	100,276	1,039	10.4

Livestock Production

The value of livestock production rose from 429 million Syrian pounds in 1963 to 579 million pounds in 1970, a 35-percent growth. The value of this production reached 4.951 billion Syrian pounds, an increase of 755 percent over 1970 and 1,054 percent over 1963.

The number of livestock has risen year after year. Cattle rose from 451,000 head in 1963 to 528,000 head in 1970 and to 807,000 head in 1981, a 17-percent growth between 1963 and 1970 and 53-percent growth between 1970 and 1981. Sheep rose from 4.3 million head in 1963 to 6 million head in 1970 and 10.5 million head in 1981, a 40-percent increase between 1963 and 1970 and a 75-percent increase between 1970 and 1980. The numbers of goats also rose, from 581,000 head in 1963 to 774,000 head in 1970 and 1 million head in 1981.

As for chickens, there has been a high qualitative leap in this regard. Whereas chicken breeding used to be a marginal farm activity, it has now become an independent industry. As a result, the number has risen from 3.9 million birds in 1963 to 14 million in 1981, a growth of 359 percent, whereas there was no increase in the number between 1963 and 1970.

As a result of the increased number of livestock, their production of milk, milk by-products, meat and eggs rose between 1970 and 1981 whereas it had been declining in the period 1963-70.

Regarding milk, we find that in 1963 the country produced a total of 539,000 tons of milk and that production dropped to 450,000 tons in 1970 but then picked up to reach 1,097,000 tons in 1981. This means that there was a drop of nearly 20 percent between 1963 and 1970 and a growth of 143 percent between 1971 and 1981. Egg production maintained nearly the same level between 1963 and 1970 but achieved a large growth between 1970 and 1981. Compared with an [annual] production of 286 million eggs in the 1960's, production rose to 1.42 billion eggs in 1981, an increase of 397 percent over 1963.

In conclusion, it can be said that the development taking place between 1970 and 1981 was much greater than the development between 1963 and 1970. In our opinion, this is due to two main reasons:

1. Implementation of the agrarian reform law and the instability in agricultural work that usually occurs when such a fundamental change in production relations is introduced.
2. The evident interest shown by the corrective movement in the agricultural sector--an interest reflected in the establishment of numerous projects, whether irrigation projects, especially the Euphrates dam and the wells, or the land reclamation projects, the fertilizer and dairy plants, the cattlebreeding farms, the various poultry farms, the sugar plants or other projects founded to serve this sector from the early 1970's up to the present.

This is in addition to constancy and stability in the general activity, considered one of the most important mainstays of production at all levels.

There are now hopes that the agricultural sector will achieve self-sufficiency in food commodities and materials at a time when food has become more precious than any other material, especially when we learn that our Arab homeland presently imports nearly 90 percent of its food consumption.

While our country aspires to achieve the hopes and goals of its masses on the 20th anniversary of its revolution, the persistent work, enthusiasm, improved responsibility and historical ability of our leaders to seriously reflect and abide by our people's goals and aspirations provide the proof that we are proceeding on the path of progress and that our people's aspirations will find their true place in this world.

8494

CSO: 4404/298

UNITED ARAB EMIRATES

BRIEFS

FUEL PRICES INCREASED--Abu Dhabi, 3 May (WAKH)--It was announced in Abu Dhabi today that the UAE cabinet has decided to increase prices of petroleum products in all parts of the UAE by 25 percent. [Summary] [GF031954 Manama WAKH in Arabic 1930 GMT 3 May 83]

WORKFORCE, MEDICAID CUT--The UAE Government is laying off about one-tenth of its workforce, according to an official of the UAE Civil Service Commission. The layoff will involve 1,700 persons, mostly Asians and non-Gulf Arabs. The government also announced the termination of free medical care to foreign residents, except those in federal employ. This measure will affect tens of thousands of expatriate workers, who now make up about 80 percent of the total UAE workforce. [GF011848 Kuwait ARAB TIMES in English 30 Apr 83 p 1]

CSO: 4400/318

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN

BRIEFS

CSSR OFFICIAL ARRIVES--Aden, 29 Apr (ANA)--(Babil Michal), CSSR deputy construction minister, arrived in Aden this evening for a visit that will last several days. He told ANA that he will sign a cooperation protocol between the PDRY and the CSSR in the field of construction. [GF291806 Aden ANA in Arabic 1730 GMT 29 Apr 83]

CSO: 4400/318

AFGHANISTAN

MUJAHIDIN, GOVERNMENT FORCES CLASH IN PAKTIA PROVINCE

LD031953 Riyadh SPA in English 1907 GMT 3 May 83

[Text] Islamabad, 3 May (SPA)--Nearly one hundred wounded communist regime troops have been brought to Kabul in a military transport plane, after fierce battles between the Mujahideen and the Soviet-Afghan government troops in Paktia Province, reliable Afghan sources said here today.

The sources said many soldiers were killed during air travel from Paktia to Kabul.

They added that five bus loads of young Afghans who were taken to Red Parade in Kabul were also attacked by the Mujahideen on 27 April.

The sources said three buses detonated land mines and were blown up killing scores of bus riders while two other buses ran to safety.

The sources said the Afghan secret service "KHAD" has counted 30 bodies of communists and regime supporters in Kabul during anniversary holiday on 27 April.

Two bombs exploded in a Russian housing complex in Mikro-Reyan in Kabul on 25 April, killing five people, the sources added.

They added that Mujahideen landmines planted near Mahipa hydro-electric station exploded and threw boulders into the river, causing its overflow and blockade of the Kabul-Jalalabad road.

CSO: 4600/581

SOVIETS TRYING TO ERADICATE FRENCH MEDICS

Bonn DIE WELT in German No 84, 12 Apr 83 p 8

/Article by Walter H. Rueb/

/Text/ French physician Philippe Augoyard was arrested by the Soviets in Afghanistan in January 1983. In the middle of March he was sentenced to 8 years in prison for "illegal entry and cooperation with counterrevolutionary elements" in a show trial in Kabul before several thousand spectators.

A few details have lately become known about Augoyard's arrest as well as about the Soviets' objectives in their fight against the Free World's humanitarian organizations in Afghanistan. According to those reports, the Soviets and Babrak Karmal's communist regime have decided to use extreme penalties to deter other volunteers from caring for sick civilians and wounded freedom fighters in Afghanistan.

The humanitarian efforts of many international organizations in the land at the foot of the Hindu Kush disturbs the Soviets in their efforts to break the people's resistance and to conquer it. French medical organizations have recently been in the forefront of persecution.

"Dr Augoyard was specifically hunted down by the Soviet soldiers," says his French colleague Gilles Albanel. "On 12 January 1983 the Red Army started a great offensive in Logar province with tanks and helicopters...We were within about a 3-day march distance from the safety of the Pakistani border. As the bombardments increased in force we detoured toward the south...Finally, the Russian infantry entered a village of about 1,000 inhabitants. The soldiers were primarily looking for Augoyard...the terror lasted for several days. There were dead people all over the place, everything was reduced to rubble. Officers kept asking about the French doctor...Whoever didn't give an answer was executed. There is no doubt about it: the Russians want to stop medical care for the Afghan population."

According to resistance fighter Nazir Ahmad Farouqi, they have already partially succeeded in this. Farouqi traveled with French physicians, foreign journalists and TV teams, as well as with various resistance fighter groups over thousands of kilometers in his homeland. "Entire regions are without doctors or medical care," reports Farouqi. "In Logar province for instance, there is no place where you can buy medicines. At one time 400 people became the victims of a

meningitis epidemic there. Most of them died...Many Afghans, frequently malnourished and sick, have heard about the French physicians. They are looking for them; for any kind of physicians...In the occupied villages the Russians always ask for the physicians first. They are specifically hunting them down. On one occasion I witnessed an attack upon a village which was apparently directed exclusively against the physician in residence there..."

Laurence Laumonier, a young French woman physician who worked in Afghanistan for more than 2 years and who, together with Augoyard, treated and operated on wounded Mujahedin in a field hospital in the Panjir Valley, reported about repeated bombing attacks of hospitals by Soviet helicopters and aircraft.

"Aren't the hospitals marked with red crosses?" she was asked. "No," she replied. "Identified hospitals are prime targets."

But despite difficult living conditions, threats and persecution the French doctors want to continue helping the Afghans. A Pakistani diplomat has nominated the biggest of the French physicians' organizations for the Nobel Peace Prize--surely an appropriate initiative in view of the selflessness and the heroism of the physicians from France.

Since the occupation of Afghanistan 39 months ago, about 250 French physicians have been active in many regions of the country. They live among the civil population or the freedom fighters underground, build a new hospital here, a simple dispensary there. They receive only a small salary, but are reimbursed for all expenditures for travel, medical supplies and other materiel.

The doctors rarely stay in one place for more than a few weeks. For reasons of safety they frequently change location, having trained medical technicians who can continue their work on at least an emergency basis. When changing location, they almost always walk or ride mules at night. For some time now new hospitals have almost exclusively been constructed below ground level.

The French physicians' organizations reject the Russians' claims that the doctors support the efforts of the "counterrevolutionaries" with their work. "Ninety percent of our patients are sick civilians," they say. "Only 10 percent are wounded freedom fighters."

Three French organizations are involved: Medecins sans frontieres /Physicians Without Borders/, Medecins du monde /Physicians of the World/ and Aide medicale internationale /International Medical Aid/.

Augoyard's French colleagues have resolved to fight for their fellow citizen. They organized a demonstration to mobilize public opinion for their cause: 123 doctors and nurses marched to the Afghan delegation in Paris and challenged the diplomats from Kabul to have them arrested..."If the authorities in Kabul consider our colleague Augoyard guilty and throw him in jail, then we are guilty too; because we have done the same things of which Doctor Augoyard is accused..."

The demonstration made the headlines, but elicited no reaction from the Afghan delegation. But people familiar with conditions near the Hindu Kush remarked laconically that the demonstration was held in the wrong place. "It should have taken place in front of the Soviet Embassy. Everything that happens in Afghanistan happens on account of the Soviets. They were the ones who hunted Augoyard for days on end in the Afghan mountains with helicopters and thousands of soldiers, who finally caught up with him because of the deep snow and arrested him--having first executed his loyal Afghan companions before his eyes."

9273

CSO: 4620/24

SHEIKH HASINA SPEAKS AT 15-PARTY MEETING

Dhaka THE NEW NATION in English 10 Apr 83 pp 1, 8

[Excerpt] The 15-party alliance announced a programme to observe a country-wide demand week from April 21 as the next step of their movement.

The announcement was made at a demand day meeting of the alliance at Hotel Eden in Dhaka yesterday.

The day was observed to press hard their 11-point demands which include among others, holding of general election on the basis of 1972 constitution minus 4th amendment, handover of power to the elected representatives, restoration of full political activities, and judicial enquiry into the incidents of 14 and 15 February last.

Presided over by Moulana Abdur Rashid Tarkabagish, the meeting was addressed by Sheikh Hasina Wajed, Abdur Razzak, A.S.M. Abdur Rab, Prof. Muzaffar Ahmed, Mohammad Farhad, Syed Altaf Hussain, Pankaj Bhattacharya, Rashed Khan Menon, Abul Bashar, Muzaffar Hussain Paltu, Sudhir Kumar Hazra, Siddiqur Rahman, Khalequzzaman, Abdur Rauf, and Dilip Barua.

The Awami League Chief Hasina Wajed said that the country was confronted with a grave situation following denial of rights achieved after many years of struggle. She demanded hand over of power to the elected representatives of the peoples elected on the basis of 1972 constitution minus fourth amendment.

The AL Chief called upon the Government to give up the path of repression and accept the people's verdict as the last word.

Once again making a particular politician and his associates responsible for killing Sheikh Mujibur Rahman, Sheikh Hasina said the politics of assassination did not stop as the killers of Bangobandhu were not tried.

CSO: 4600/1026

DIVISIVE TRENDS REPORTED TO PERSIST IN BNP

Dhaka HOLIDAY in English 9 Apr 83 p 1

[Article by Mahmud Rashid]

[Text] Despite the exodus of breakaway group under the leadership of Shamsul Huda Choudhury, the BNP still appears disturbed at the persistence of divisive trends in the organization.

Shah Azizur Rahman, who recently resigned from the post of vice chairman of the party and who has not joined the conventionists as claimed by them, is learnt to have been organizing the remaining Muslim League-leaning elements in the party in a bid to remove the incumbent secretary general, Dr. Badruddoza Choudhury.

The so-called 'rebel faction' also poses a threat to the Sattar leadership. A leader of this faction told this correspondent that it would try to capture the leadership of the party in its next council meeting which is scheduled to take place in the first week of June.

Meanwhile, a former state minister who belongs to the so-called 'rebel' faction, has been arrested by the members of a law-enforcing agency in connection with a "conspiracy case."

Tariqul Islam was apprehended from the residence of Dr Badruddoza Choudhury on March 31 at about 11 a.m. At that time, former state ministers Dr. Fazlul Karim and Sirajul Huq Montu, Anisuzzaman Khokon, a former MP and other party leaders were present there.

Half an hour after his arrest the members of the law-enforcing agency came there again and made a search for Mahmudul Karim Choudhury, a former MP and vice chairman of the party who shot into prominence following the assassination of Ziaur Rahman as a 'rebel' leader. But he was not present there.

Sources said that Tariqul was arrested in connection with a case in which two young men were caught with a pistol recently in Jessore at a time when Gen. Ershad went there.

In pursuance of the case, two BNP men and three members of the Jatiyatabadi Chhatra Dal of Jessore were also taken into police custody.

The leaders of Sattar-led BNP began organizational tour in different district headquarters from yesterday (Friday). Its secretary general, B. Choudhury, former state minister Nur Mohammad Khan, joint secretary Julmat Ali, standing committee member Nazmul Huda and leaders of the party's different fronts went to Sylhet and addressed the local leaders and workers of the party there.

It may be noted that various wings of the party have extended their support to the main leadership of the party headed by Justice Abdus Sattar. Hence the convention BNP has decided to reorganize these wings.

The conventionists may form their Jatiyatabadi Chhatra Dal with Enamul Karim Shahid as its president and Nazmal Ahsan as its secretary while the youth front will have Farhad Hossain Kanchan or Golam Kibria Tipu as the leader.

CSO: 4600/1023

REPORT ON DEMOCRATIC LEAGUE CENTRAL COMMITTEE PARLEY

Dhaka THE NEW NATION in English 9 Apr 83 pp 1, 8

[Text]

Democratic League has expressed its firm belief that democracy can be established with- drawing Martial Law which will save the country from the present crisis. At the same time it emphasised the need for resisting foreign aggression.

Presided over by the party Chief Khondaker Moshtaq Ahmed the extended meeting of the central committee of Democratic League held at Aga Masih Lane was also attended by 72 presidents and secretaries of organisational districts and 12 specially invited guests.

The meeting in a resolution demanded immediate restoration of open politics in the country.

The meeting said that it was not possible on the part of an individual to solve the crisis facing the nation. The only alternative to solve national problems was an elected government, which is a national consensus, the meeting said.

It said that only an elected government had the right to settle the basic issues like education policy, reorganisation of the judiciary and land reforms.

The meeting in a resolution demanded reopening of all the universities and expressed its concern over the deadlock in the campus.

The meeting observed that the political situation in the country was very disappointing and the economy was decaying. It also expressed concern over Talpatty situation and widespread effect of Farakka and discussion on the India-proposed Ganges-Brahmaputra link canal.

Demanding withdrawal of censorship on newspapers the meeting urged upon the government to allow publication of weekly Ittehad and Jayjatra.

The meeting in another resolution called for unity of democratic forces of the country.

CSO: 4600/1025

FINANCE MINISTER SPEAKS AT GROUP OF 77 MEETING

Dhaka THE BANGLADESH OBSERVER in English 10 Apr 83 pp 1, 12

[Text] Buenos Aires Apr. 9:--Bangladesh made a fervent call for a reordering of the global system of trade, money and finance and the establishment of an international economic order, reports BSS.

Minister for Finance and Planning and leader of Bangladesh delegation Mr. A. M. A. Muhith said this while addressing the fifth Ministerial meeting of the Group of 77 now being held in Buenos Aires for the sixth session of the United Nations Conference on Trade and Development (UNCTAD vto) to be held in Belgrade next June.

Mr. Muhith said that the world economy was passing through a severe crisis and 1982 had been the most dismal year of the century in the economic context.

Describing the manifestations of the present economic crisis the Minister said that trade had declined by six per cent after three decades of consistent growth, commodity prices had undergone the biggest slump in 50 years, debt service of the developing countries had climbed to a new high of nearly US dollars 130 billion, balance of payments gap of non-oil developing countries had been at an all time high of US dollars 90 billion and growth rate in all economies had been in shambles with developing countries experiencing a steady decline in per capita income. He said that the severity of the crisis had been so completely destabilising that there were now serious doubts about whether the world would be pulled out of the downward spiral in which the global economy had been locked. [as published] The talk of global economic recovery was not worthwhile without growth and development of the developing countries of Asia, Africa and Latin America, the Minister added.

Referring to the measures which needed urgent attention for the activation of the stunted development process, the Bangladesh Minister called for full and effective implementation of substantial new programme of action for the Least Developed Countries and for doubling of resources, flows to the Least Developed Countries by 1985, coming into operation of the common-fund adoption of the Codes of Conduct on transfer of technology and on liner conference competition of negotiations of IDA VII stabilisation of

commodity prices of processed and manufactured goods of developing countries to develop markets, checking of protectionism in all forms, extension of the compensatory financing facility regarding deterioration in terms of trade and improvement of its terms for the least developed countries, expansion of the special assistance programme of World Bank and the regional banks, immediate allocation of Special Drawing Rights at the rate of US dollars 20 billion per annum to tackle the liquidity crisis and urgent attention to the problem of debt servicing.

The Minister said that in the context of global economic development, economic cooperation among developing countries was the dynamic force of the future. He said that such cooperation should encompass not only closer cooperation in the area of trade but also joint planning, investment cooperation, production sharing, management coalition and technical and financial cooperation. He emphasised that the South-South cooperation had to become the engine of growth for the future. He said that in any scheme of cooperation among the developing countries, it was too important to remember that for it to succeed there must be adequate allowance for the stage of development of the various partners. The weak must be helped to come up as an equal partner he added. He said that economic cooperation among developing countries must be a matter of public movement in the countries of the Third World.

The Minister called upon the international community for acceptance of the reality of interdependence and said that the prudent way to change the present world economic system should be through consultations and agreements. Calling for the immediate launching of the global negotiations, he also said that the proposed international conference on money and finance for development should be organised as early as possible under the United Nations auspices. He emphasised that the international community should be wise enough to bring about change in the international economic system in an orderly process and should not surrender to chaos.

The Finance Minister during his stay here had separate meetings with Foreign Minister of India and Trade Minister of Argentina.

The Bangladesh delegation continued to play an active role in various deliberations on the areas of world economic situation and trade, commodities, money and finance. In the drafting group Bangladesh proposed for inclusion of the implementation of the substantial new programme of action for least developed countries in the programme of immediate measures being proposed by the Group of 77 to be adopted at the UNCTAD VI. Bangladesh also proposed for the inclusion of the need for special measures for the LDCs in the declaration to be adopted at the end of the Ministerial level conference.

CSO: 4600/1024

REVISED 5-YEAR PLAN MAKES PUBLIC SPENDING CUTS

Dhaka HOLIDAY in English 9 Apr 83 pp 1, 8

[Article by Hossain Khasru]

[Text]

Resource constraints— both domestic and external— have led to drastic pruning of the size of the Second Five Year Plan (SFYP) in terms of investment allocation.

And, the allocation has now been trimmed mainly in the public sector investment outlay due to constriction in aid flows and shortfall in surpluses from the revenue budget over the recent years.

The projection of an estimated level of external aid disbursement over two billion dollar mark at the terminal year of the SFYP period in 1984-85 to realise the original (which was the draft one) Plan investment targets has now proved highly over-ambitious. The annual aid disbursements averaged only 1.2 billion dollars during the first three years of the Plan.

The domestic resource mobilisation strategy has also foundered on the rock of hard economic realities. Gross domestic savings as per cent of gross domestic product (GDP) are now only half the level of what was projected at 7.16 percent earlier

for the terminal year of the Plan.

CRITICAL LAGS

The actual economic performance since the launching of the SFYP in July, '80 till today has shown critical lags in terms of growth rates, industrial development, provision of basic needs, employment opportunities, domestic savings mobilisation and so on and so forth. The situation on all counts remains as dismal as before, if not worse.

It is against this backdrop that the exercise for trimming the size of the SFYP has been carried out by the Planning Commission. A higher dependence on private investments has now been projected in the latest revised version of the Second Five Year Plan which is likely to see the light of the day soon as the final document, replacing its draft character after a long lapse of three years.

The continuing sluggish nature of private sector investment operations, notwithstanding, the planning authorities have now pinned their optimal hopes in a big surge of private investments

in the coming years, obviously in anticipation of more positive investment and extended response of the private sector to the new set of policies which are intended as sops for the sector.

With greater reliance on the private sector, there will be a deceleration in public sector spending program in the next financial years, 1983-84 and 1984-85, to realise the revised growth rates and the largely-moderated objectives.

REVISED PLAN

The financial size of the SFYP, approved recently has been drastically cut to 17,200 crore takas (in constant 1979-80 prices) from the earlier projected level of 25,595 crore takas in the draft document. The public sector will bear the entire brunt of this pruning with its allocation now fixed at 11,125 crore takas for the entire plan period (1980-85) as against 20,125 crore takas in the previous draft plan document.

The allocation for the private sector has meanwhile been raised from 5,470 crore takas to 6,106 crore

takas at constant prices of 1979-80. Such an enhanced allocation has been projected for private investments at a time when actual performances have evidently shown wide lags in terms of attainment of the investment target of 1400 crore takas in the sector during the current fiscal, 1982-83.

About public development spending, it is to be noted here that public investments under the umbrella of annual development programs (ADPs) would total 7784 crore takas at current prices by the end of the current financial year, 1982-83.

The ADP spending at current prices during the first three years of SFYP has been as follows: 1980-81—2369 crore takas, 1981-82—2715 crore takas and 1982-83—2700 crore takas. And when public sector investments during the period, 1980-83, are worked out at constant 1979-80 prices with the help of related price deflator, the public investment pattern would reflect a discouraging scenario.

GDP GROWTH

The final SFYP document has projected a GDP

growth rate of no more than 5.4 percent annually for the next two years. The GDP, recorded an increase of 6.1 percent in 1980-81, 0.9 percent in 1981-82 and 3.8 percent (revised estimate) in 1982-83.

The latest projection of the economy's growth rate for the upcoming two financial years and also the actual performance of the last three years would thus give an average annual GDP growth, falling much short of the related target in the draft document at 7.2 percent and the implications of such a faltering performance is not difficult to conceive.

The authors of the draft SFYP document, while setting the earlier growth rate of the economy, noted, "It is widely held anything short of a rate of growth of 7 percent over the next decade will fail to make any significant change in our massive endemic poverty."

POVERTY LEVEL

With slower growth rate and obviously, lower focus on distributive justice, the

poverty level in the country will continue to remain a daunting challenge to the political leadership and the planners alike.

The draft Second Five Year Plan had its "central theme" focussed on "reduction of poverty by a significant extent and creation of such conditions as would help to completely eliminate it in an objective way by the end of the century". With critical lags persisting in growth of productive sectors of the economy over the three years of the current SFYP period as reflected in slacks in overall growth rate, the poverty scene has certainly become more acute now and in 1980. Three-fourths of the country's population were estimated to be below the 'poverty-line', failing to meet the minimum dietary requirements.

Meanwhile, the "distributive justice" as one of the goals of planned development commands now less priority since private sector-led growth process has relevance to such justice only as "percolating effects" of growth-based development.

WORLD BANK NOTES WEAKNESS IN PROJECT ADMINISTRATION

Dhaka THE NEW NATION in English 12 Apr 83 pp 1, 8

[Article by Hassan Abul Quashem]

[Text] The World Bank has expressed deep concern over the unexpectedly slow performance of the administration in implementing the development projects.

In a recent review meeting with the Bangladesh high officials, Mr David Hopper said that 'no single set of issues has been generating more concern among those intimately familiar with development activities in Bangladesh than the problems being expressed in project implementation.'

While reviewing the donor-aided projects prior to the Bangladesh aid group meeting at Paris, the World Bank vice-president observed that the progress of implementation of the Annual Development Programme (ADP) is going more slowly than even what the administration expected.

Weaknesses in the administrative system along with the shortage of local currency have been identified as the main reasons behind the snail's pace progress on project implementation.

While talking to this correspondent a number of ministry officials preferring to remain unidentified maintained that, "the government officials are not in a position to use discretionary power in discharging their responsibility. As a result nobody is interested in taking any risk. In last sixty years or more there is no record that high ranking officers who used their discretionary power did not face any difficulty."

Some of the secretaries said that, among others, lack of decision making on the part of the administrative ministries who are directly responsible for the implementation of the development project is the crux of the problem. Besides, there was the problem of nonavailability of cash foreign exchange along with the lack of reimbursible Taka, they said.

Another high official of a ministry, nowever, emphasised the problem of timely release of funds allocated against the different development projects under the ADP. Despite clear instruction from the government, the

release of funds during first and second quarters of the financial year are far from satisfactory. The physical progress of the projects also is in a state of limbo. The procedure of release of funds, recruitment of manpower, acquisition of land for the projects, procurement of machinery and timely mobilisation of inputs and also the very lengthy procedure of approving the projects are described to be the reason behind slow progress in the implementation of the development projects.

According to the Planning Commission, the administrative ministries are not paying any heed to the need for observing the different procedure of project implementation. In some cases, the ministries and divisions have been undertaking the projects before getting necessary government approval. The letters issued by the commission in this connection were not also given proper attention by the concerned ministries.

Some officers of the implementation, monitoring and evaluation division maintained that slow disbursement of foreign aid was the main impediment to the timely implementation of development projects.

CSO: 4600/1031

INDIANS REPORTEDLY CAUSE GANGES LEVEL TO FALL

Dhaka THE NEW NATION in English 11 Apr 83 p 1

[Article by Kazi Montu]

[Text]

The lowest ever quantum of water has been released by the Indian authorities to Bangladesh in the Ganges at Farakka in the current lean period.

The Indian authorities released only 25,500 cusecs of water in the Ganges in the last ten-day period on the arbitrary basis as there is no guarantee clause in the memorandum of understanding signed between the two neighbouring countries in last October.

According to the 1977 agreement, Bangladesh was entitled to a minimum of 28,800 cusecs of water in the Ganges during the leanest period of a year as the release of 80 per cent water of the Bangladesh's share was guaranteed in it.

During the corresponding ten-day period of the last year Bangladesh received 40,370 cusecs of water in the Ganges as against 68,586 cusecs of water discharged at the Farakka point.

The discharge of water at Farakka was recorded at about 43,580 cusecs in the period under review. The local experts believe that the Indian authorities have withdrawn increased quantum of water in the upper reaches this year causing fall in the discharge of water at the Farakka point.

The concerned officials of the Bangladesh Government are apprehending further lowering of water level in the Ganges in the next two ten-day periods. The leanest period usually continues from April 20 to April 30.

According to the observers of Indo-Bangladesh relationship, the issue of fixing up a minimum quantum of water to be released to Bangladesh at Farakka during the current lean periods should have been raised and settled in the last meeting of the Joint Rivers Commission (JRC).

Meanwhile, the dialogue between the two countries on

the sharing of the Ganges water seems to have been deadlocked again, although out of 18 months six months have already elapsed to work out a formula for the resolution of the Farakka dispute.

The Joint Committee of experts that was formed in the 23rd meeting of the JRC in last December in accordance with the memorandum of understanding is yet to draft the terms of references and to prepare a work schedule with specific date lines for the prefeasibility studies of the schemes which were proposed by either side for augmenting the dry season flows in the Ganges at Farakka.

The local level committees of the JRC will, however, meet in India from April 18 to 21. The four-member Bangladeshi team headed by a BWD Chief Engineer is scheduled to leave for Malda and Bahrapore on April 18.

CSO: 4600/1029

BRIEFS

MUSLIM LEAGUE MEETING--The National Committee of Bangladesh Muslim League (Siddiqui) in a meeting yesterday discussed the prevailing political, social and economic situation of the country. The meeting was presided over by the party President Justice B. A. Siddiqui. The meeting expressed concern over the present situation and demanded restoration of '72 constitution and holding of parliamentary election. The meeting expressed profound concern over the happenings of February 14 and 15 and demanded judicial inquiry into the incidents. The meeting felt the necessity of restoring peaceful atmosphere in the educational institutions and demanded reopening of all the universities. The meeting also urged the Government not to accept the Indian proposals for constructing dam on the upstream of the Punarvaba river and Ganges-Brahmaputra link canal keeping in view the interest of the country. [Text] [Dhaka THE NEW NATION in English 10 Apr 83 pp 1, 8]

EDUCATION CONSULTATIVE BODY--A Consultative Committee has been formed in the Ministry of Education with the Minister in-charge of the Ministry as chairman to ensure smooth functioning of the educational institutions and promote better understanding and communication between the teaching community and the authorities says a PID handout. The other members of the committee are: Two members of the Ministry of Education, two officers from the Directorate of Secondary and Higher Education, two representatives of Bangladesh Government College Teachers' Association, two representatives of Bangladesh non-Government College Teachers' Association, two representatives of Bangladesh Government Teachers' Association, two representatives of Bangladesh Teachers Association, two representatives of Bangladesh Madrasah Teachers' Association, two representatives of Teachers of Primary Training Institute, two officers from Primary Education Directorate and two representatives of Primary Teachers' Association. The committee will advise the Government on the smooth functioning of the educational institutions and suggest measures for improvement of the teaching standard and teachers training. It will also suggest ways and means to reduce incidence of failure in public examination and prevention of unfair means in the public examinations and advise the Government on the proper utilisation of resources in the education sector. [Text] [Dhaka THE BANGLADESH OBSERVER in English 11 Apr 83 p 8]

NEW LABOR ORGANIZATION--Three hundred and 28 labour leaders who were previously connected with various labour wings of different political parties

have decided to hold a rally of the labour representatives with a view to forming Bangladesh Free Labour Federation. A Press release issued on Monday by Mr. Maqool Ahmed, Vice-President, Bangladesh Jatiyatabadi Sramik Dal; and Mr. Belayet Hussain Majumder, Treasurer, Jatiya Sramik Federation, General Secretary, BCIC Sramik Federation and President, Bangladesh Sector Corporation, Karmachari Parishad, on behalf of 328 labour leaders from Dhaka, Chittagong, Khulna, Sylhet and North Bengal said that they have extended their total support to the initiative taken by Mr. M. A. Mottaleb, former MP and General Secretary, Jatiya Sramik Federation in this respect. While expressing their solidarity with the initiative of Mr Mottaleb, the signatories appealed to all concerned not to take any decision individually but attend the conference to arrive at a common decision. [Text] [Dhaka THE BANGLADESH TIMES in English 12 Apr 83 pp 1, 8]

CSO: 4600/1027/1028/1030

U.S. POSITION ON ASIAN DEVELOPMENT BANK DEPLORED

Calcutta THE STATESMAN in English 7 Apr 83 p 6

[Editorial]

[Text]

The U.S. Administration has again confirmed its stand on India's hopes of borrowing from the Asian Development Bank. Earlier this month, the Treasury Secretary, Mr Donald Regan, told a Senate subcommittee that Washington would oppose the Indian application for \$2 billion over the period 1983-87. The subcommittee chairman reportedly assured him that Congress would not only support the Administration position, but also insist that there were no deviations. This attitude is based on two arguments: first, that New Delhi's large demands would dip heavily into available funds for other borrowers, and secondly, that India can afford to raise loans on the commercial market at more favourable rates of interest than would be offered to most ADB clients. Both points are correct, but to conclude from them—as Washington and Tokyo have done—that India should, there-

fore, be deprived of the bank's hard loans (as opposed to the Asian Development Fund's soft loans) would amount to selective discrimination. Both Japan and the USA have accepted China's membership of the World Bank although it is abundantly clear that, as a result, India and some other countries may lose substantially so far as the soft-window (IDA) assistance is concerned. Tokyo has also agreed in principle to China's entry into the ADB though the only reason for seeking membership is probably to ask for substantial loans. Washington's response to China's expectations from the ADB is understandably coloured by the Taiwan factor; there is no suggestion of American opposition based on the resources-share argument employed against India.

It must also be galling for new Delhi to be told that it cannot borrow from a region-

al financial institution, especially since India is the ADB's third biggest contributor (after Japan and the USA) and consequently always provides one of the bank's two vice-presidents, the post of president going to Japan because of its 14 per cent contribution to the capital. Moreover, Indonesia, South Korea and the Philippines—all of which enjoy a higher per capita income than India's—account for a sizable proportion of the total assistance extended by the ADB since it was found in 1966. There is not, therefore, much economic justification for asking India to rely on the commercial market instead of borrowing from the bank, especially at a time when the problem of Third World indebtedness and debt-servicing is receiving so much attention. On the contrary, efforts should be made to add to the ADB's capital to meet increasing demands.

CSO: 4600/1009

U.S. REPORTS ON ARTILLERY 'PURCHASE' RAISE DOUBTS

Madras THE HINDU in English 9 Apr 83 p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 8

The Government is quite intrigued by the totally baseless reports emanating from Washington that India is buying "several hundred" 155-mm artillery pieces from the U.S. at a total cost of \$ 900 millions (Rs. 900 crores).

What is really surprising from India's point of view is how a high-ranking U.S. official like the Under-Secretary of State for Security Assistance, Mr. William Schneider, has come to be quoted as the source of this report.

It is true that in 1980 India did negotiate with the U.S. for the purchase of some Tow anti-tank missiles and 155-mm mountain guns which along with spares and ammunition would have cost around \$ 200 millions. The former Defence Secretary, Mr. K. P. A. Menon, went to Washington to finalise the deal. But the whole transaction was called off when the U.S. declined to permit India to manufacture these items under licence after the initial purchase.

There were also some differences over the delivery schedules, besides the payment procedures. Though the U.S. was quite keen at that time on selling some arms to India to justify its policy of rearming Pakistan, it tried to impose certain conditions which were unacceptable. The deal thus fell through after arousing some false expectations.

Contrary to facts: The U.S. Defence and State Departments could not be unaware of not only what happened at that time, but the subsequent Indian decision to buy these anti-tank missiles and howitzers from other sources. It is, therefore, doubly astonishing how Mr. Schneider could have said that India was purchasing them from the U.S. which is quite contrary to facts.

The *Washington Post*, which published the report, quoted him as its source. A brief account of the story carried by the news agencies was published in the Indian press yesterday which has made the Government of India wonder about the possible purpose behind it. An amazing feature of the report is Mr. Schneider's reported alibi that the U.S. has not been able to sell any advanced technology

weapons to India because of the presence of a large Soviet military mission in Delhi.

The actual position is that the U.S. Embassy has more military attaches and other service personnel on its staff than the Soviet Embassy here. The combined number of the Western military attaches in India is much larger than that of the Soviet bloc countries, but this by itself has posed no security problems.

No access to data: The Government of India has taken good care to ensure that none of the Western missions in India has any access to the Soviet-origin equipment in use by its armed forces. The Soviet bloc representatives are similarly precluded from either seeing or obtaining any data on the weapon systems obtained from Western sources.

In any case, the weapons that India has been acquiring from the West or the Soviet bloc are generally of the previous generation

which are known to either side. There is not a single item currently in use with the Indian armed forces which can be rated as latest equipment. So apart from the fact that there is absolutely no basis for the reported U.S. alibi for not selling to India any advanced technology weapons, the red herring that Mr. Schneider has sprung has some obvious propaganda motivation behind it, according to official circles here.

It is anybody's guess at this stage what exactly prompted him to raise this bogey when the State Department is engaged in preparing for the visit of the Secretary of State, Mr. George Shultz, to Delhi at the end of June. It could well be a subtle bid to nudge India to say something as a rebuttal that could be unflattering to the Soviet Union as the main supplier of its defence requirements.

U.S. leverage: Though India has been making a conscious effort to diversify its arms purchases, the fact remains that the Soviet Union is still its principal source. But the U.S. continues to exercise some leverage even without selling any equipment directly to India, since many of the sophisticated items like aircraft engines, navigational equipment and

missile systems purchased from other Western sources have American components which cannot be sold to any third country without the approval of Washington.

The U.S. has tried to raise security objections and impose stringent conditions on the

sale of such equipment to countries that have no defence arrangements with it. And the way the U.S. has gone about to try to corner India over the supply of nuclear spares is indicative of how such pressures are exerted to impose political conditions.

CSO: 4600/1014

MAJOR ELECTIONS PLANNED EACH YEAR UNTIL 1988

Calcutta THE STATESMAN in English 7 Apr 83 p 7

[Text]

NEW DELHI, April 6.—With the Jammu and Kashmir Assembly polls, scheduled for May, one cycle of elections to both Parliament and the Assemblies will end. The next cycle will start within less than a year, with elections to a new Mizoram Assembly. There will be major elections almost every year until 1988. India seems to have become a country of permanent elections.

Next year, polls will have to be held not only to the Mizoram Assembly, but also to the Sikkim Assembly.

The new Mizoram Assembly will have to be constituted, after elections, on or before May 24, 1984. The first meeting of the present Assembly took place on May 25, 1979, and the five-year term of the Assembly will end on May 24, 1984. The New House will have to be constituted before that date.

The present Sikkim Assembly met first on October 20, 1979. Therefore, the next House will have to be constituted before October 19, 1984.

The following year, 1985, will be a big year for elections. The eighth Lok Sabha will have to be elected (before January 20), apart from two groups of State and Union Territory Assemblies.

In the first group are the Assemblies of Goa (with the five-year term of the present Assembly ending on January 21), Pondicherry (January 24), Arunachal Pradesh (January 27), and Manipur (February 17).

In the second group are the Assemblies of Tamil Nadu (June 18), Gujarat (June 19), Bihar (June 22), Uttar Pradesh (June 24), Rajasthan (June 25), Punjab (June 26), Maharashtra (June 29), Orissa

(June 29), and Madhya Pradesh (July 1).

The subsequent year, 1986, should on present reckoning, bring about a respite. No Assembly elections are due that year. It is, of course, possible that mid-term polls to some Assemblies might be precipitated during that year.

In 1987, Assembly elections will be due in West Bengal (with the term of the present Assembly ending on June 13), Himachal Pradesh (June 20), Haryana (June 23), Kerala (June 23), and Nagaland (November 28).

In 1988, elections will be due to five Assemblies—Andhra Pradesh (January 16), Karnataka (January 24), Tripura (February 8), Meghalaya (March 7), and Assam (March 20)—and the country's only Metropolitan Council in Delhi (March 16).

Elections may have to be held also to Jammu and Kashmir Assembly that year. If, by then, the State's election law is suitably amended to reduce the Assembly's term from the present six to five years as everywhere else in the country.

It is possible that this five-year cycle will be upset if some Assemblies—or perhaps even the Lok Sabha—are dissolved well before the end of their term and mid-term polls are necessitated.

EXTERNAL AFFAIRS MINISTER SPEAKS TO GROUP OF 77

Bombay THE TIMES OF INDIA in English 7 Apr 83 p 9

[Text] Buenos Aires, April 6 (UNI).

India has called for urgent action to reactivate the process of development in developing countries, brought to a standstill by the current international economic crisis.

Action would have to be in the crucial spheres of finance, trade, raw materials, energy and food, the Indian external affairs minister, Mr. P. V. Narasimha Rao, told the fifth meeting of the Group of 77, yesterday.

The meeting was inaugurated earlier by the Argentine President, General Reynaldo Bignone, with a call for joint efforts to overcome the pressing debt problems of poor countries.

In a speech devoted mostly to a recapitulation of the outcome of the seventh non-aligned summit at New Delhi, Mr. Rao said: "We cannot underestimate the enormity of the task that lies ahead.

"The proposals which have emerged from the summit are wide-ranging. These would need to be elaborated upon and details spelt out for their follow-up in appropriate form."

He hoped the decisions of the summit would guide the deliberations of the meeting, which is to prepare the stand the developing countries will take at the Belgrade meeting of the United Nations conference on trade and development in June.

PTI adds: Mr. Rao said the main significance of the recent non-aligned summit lay in the fact that it was successful in strengthening the unity and solidarity of developing nations.

Mr. Rao said the non-aligned movement, whose unity and strength had been reinvigorated and renewed by the summit would continue to fight for the establishment of peace. Further, durable peace could only be assured by creating conditions of justice and equality between man and man, state and state--justice which was total; namely, political, social, economic and

cultural. This, in turn, could only be achieved by restructuring the world economy and establishing a new international economic order, based on equity and justice.

The secretary-general of UNCTAD, Mr. Gamani Corea, suggested that the forthcoming UNCTAD-VI conference in Belgrade seek to take action, both to bring about an upturn in the economy of industrialised countries and to reinvigorate the development process.

He told the ministerial conference of the Group of 77 that while signs of recovery in developed countries were welcome, recovery would not be sustained if it was not accompanied at the same time by the process of revitalisation and reactivation of development. Both these processes were of vital importance to the world economy today.

Mr. Corea, who was participating in the general debate, said the opportunity provided by Belgrade must be grasped in all seriousness. "If we do succeed in getting agreement on elements of a programme for recovery and development, then we will have succeeded in creating a new atmosphere in regard to negotiations in relation to development issues", he added.

He urged developed countries not to see UNCTAD VI as a "one-way street" or as a meeting of givers and takers. It was the task of the Belgrade conference to find ways of overcoming the difficulties and getting the world economy out of the impasse.

CSO: 4600/1008

INDIA

LONGOWAL SAYS SIKHS TO RAISE VOLUNTEER ARMY

Calcutta THE STATESMAN in English 9 Apr 83 p 1

[Text] Amritsar, April 8.--The Akali leadership today sought to inject an element of militancy into their eight-month-old agitation when the Dal president, Sant Harchand Singh Longowal, announced the party's resolve to raise "an army of 100,000 volunteers to do or die for the Sikh cause", reports UNI.

Announcing this at a Press conference here this morning, Sant Longowal said the volunteers would be required to take a pledge at the Akal Takht, the supreme seat of the Sikhs.

Addressing a congregation at Manji Sahib this evening, Sant Longowal warned the Government that his party would not hesitate to avenge the death of those killed by the police and the CRP. "We know how to pay back the debt being piled upon us by the Government," he said.

The Akali Dal president gave a "worldwide" call for observing April 17 as mourning day in protest against the killing of "innocent Punjabis" during the April 4 Dal-sponsored road blockade agitation.

The call, directed to Punjabis in general and Sikhs in particular, came in a statement released by the Sant at a Press briefing here. The morcha dictator kept silent when asked to comment on the possibility of the party giving a call for a Punjab bandh.

Sant Longowal alleged that the ORPF men had committed atrocities on the people "at the behest of the Union Government." He announced a grant of Rs 5,000 to the family of each of those killed in police firing. The SGPC had also decided to give a grant of Rs 10,000 to each family concerned, he added.

Meanwhile, Amritsar city showed signs of returning to normal with shops reopening today.

PTI adds: In New Delhi, 200 supporters of the Akali Dal (Longowal group) today demonstrated outside the residence of the Prime Minister in protest against alleged police atrocities on Akali agitators during "rasta roko" agitation in Amritsar on April 4.

Led by Jathedar Harcharan Singh, president of the Akali Dal (Delhi) the demonstrators who were carrying yellow flags and banners shouted slogans against what they called "police excesses" in Punjab.

Strong contingents of helmeted policemen guarded all entry points to the Prime Minister's residence and stopped the procession at Gole Methi about a kilometre away. Mrs Gandhi, however, was away in Varanasi at the time of the rally.

Jandiala Guru (Gheari) station, 20 km from Amritsar, was the target of attack by unknown extremists last night, when a powerful military-type grenade was lobbed inside it.

The assistant station master, Mr Tilak Raj, and his five-year-old son were injured in the attack and have been removed to hospital here. They have been operated on to extract splinters.

CSO: 4600/1016

ANALYST ASSESSES DEBATES ON FOREIGN POLICY, DEFENSE

Madras THE HINDU in English 10 Apr 83 p 2

[Article by G. K. Reddy]

[Text] **T**HE present session of Parliament has been particularly dull, devoid of any great excitement despite the agonising developments in Punjab and Assam. The attendance has generally been thin with most members preferring to congregate in the Central Hall rather than sit in the House. The debates on budget demands of important ministries like External Affairs, Defence and Home, which normally attract a lot of attention, have been quite listless this time. The zero hour, too, has lost much of its terror because the Opposition parties have by and large failed to press hard with their posers to put the Government on the mat on matters of national importance, instead of trying to belabour it over peripheral issues.

Perhaps the break in the continuity of the budget session, during the non-aligned summit conference, was partly responsible for the waning interest in it. The debate on External Affairs consequently lost its customary attraction, since the main focus was on the subsidiary resolution complimenting Mrs. Gandhi on her performance at the summit, not on the conduct of the country's foreign relations during the past year under discussion. Similarly, the Defence debate was equally diffused with no serious attempt made from either side to pinpoint the weak links in the country's security environment and come forward with sound suggestions for improvement.

There is little scope in Indian democracy as it is practised now for the assertion of the superiority of informed opinion. If criticism is not mixed with a matching praise for the quality of the leadership, it is liable to be mistaken for disloyalty and lack of proper commitment to the prescribed party line. So the ruling party members feel inhibited in voicing their misgivings over policy lapses, while those in the Opposition tend to overstep the mark and spoil even a perfectly valid point of view through exaggeration and insinuation.

All that a hard-pressed Minister has to do in such a situation is to make a few patriotic noises laced with soapy sentimentality to be

able to carry the House with him. It was quite a cake walk for Mr. P. V. Narasimha Rao to paint a rosy picture of India's foreign policy achievements, while Mr. R. Venkataraman had an equally easy time in giving a reassuring account of the country's defence capabilities and impressive progress in the development of highly sophisticated weapon systems. Mr. P. C. Sethi, on the other hand, had to bear the cross for the sad events in Punjab and Assam, but otherwise he also did not have much difficulty in rebutting the Opposition criticism of the Home Ministry's performance.

Annual ritual

In Nehru's time, both Congress and Opposition members used to be rather diffident about publicly criticising any aspect of his foreign policy even when they had some serious doubts about it. The annual ritual of a budget debate on the demands of the External Affairs Ministry used to take the shape of a symposium for counting the blessings of non-alignment, laced only with some marginal criticism of the Government for not adequately publicising it.

The way the external publicity division used to be attacked year after year during the parliamentary debates gave the impression as though the virtues of India's foreign policy were not being adequately understood and appreciated abroad because of poor publicity, that the world was ignorant of the country's achievements since its diplomatic missions had not been projecting them properly with the necessary skill and dedication.

It was only after the China episode that the pro-Western sections within the Congress Party itself felt bold enough to question the fundamentals of Nehru's policies to the point of compelling him to take up a tough stand while it was still possible to arrive at an amicable settlement of the border dispute. From then on the critics started shedding their masks and stopped pretending that the country's foreign policy was sound and only its publicity was

bad, or that a good policy in itself can be a sufficient compensation for poor performance.

Distorted

The debates on foreign affairs are still distorted by many such inhibitions with the participants from both sides taking a highly emotional attitude on some issues to the point of becoming quite irrational at times or deliberately turning a blind eye at the inadequacies of the country's responses to different situations by treating foreign policy as a close preserve of the Prime Minister and her advisers, something sacrosanct that was best left to her better judgment.

As a result there has been a steady decline in the quality of the debates over the years and the few who bother to participate display amazing ignorance. The Government invariably manages to have its way thanks to this confusion by making the members imagine that an unflinching support for foreign policy is a hallmark of their patriotism.

The same sort of ambivalence prevails, in a sharper form, during the Defence debates when the patriotic fervour of the members assumes further overtones. There is no informed discussion on the nature of the security threats, the ability of the country's armed forces to cope with them, the adequacy of the present command structure, force levels and quality of equipment, the degree of self-sufficiency achieved in defence production or the nature of administrative relationship between the political leadership and the armed forces.

Complex web

After the nightmarish years of Krishna Menon, successive Defence Ministers have tried to maintain a cordial relationship with the service chiefs at the political level and follow a policy of least interference in the matter of postings and promotions, the functioning of the command structure and the choice of equipment for modernisation of the armed forces. But the day-to-day relationship between the Defence Ministry as a civilian set-up and the three service headquarters as military establishments with their own rules and regulations need to be streamlined to make this complex web function smoothly without recurring frictions.

The higher direction of the defence forces cannot be improved by simply superimposing civilian authority over the military domain, unless it is followed up by creating sound traditions for dovetailing the two into a functional frame with its own checks and balances in consonance with the country's political system. It is for the Government to define the foreign policy aims, spell out the security aspects inherent in the pursuit of these objectives and make adequate financial provision for meeting these responsibilities under varying conditions. The three services should have their full say in stipulating the force levels and other requirements for achieving these objectives with the necessary margin of safety in the changing security environment.

Opposition

The abolition of the post of an overall Commander-in-Chief for the Army, Navy and Air Force has not been followed by the creation of a Chief of the Joint Staff to coordinate the activities of the three services and provide for joint planning of the operations without impinging on their present command structure. The civilians in the Defence Ministry and the chiefs of the three services have been opposing the idea for the simple reason that they do

serious doubts about it. The annual ritual of a budget debate on the demands of the External Affairs Ministry used to take the shape of a symposium for counting the blessings of non-alignment, laced only with some marginal criticism of the Government for not adequately publicising it.

The way the external publicity division used to be attacked year after year during the parliamentary debates gave the impression as though the virtues of India's foreign policy were not being adequately understood and appreciated abroad because of poor publicity, that the world was ignorant of the country's achievements since its diplomatic missions had not been projecting them properly with the necessary skill and dedication.

It was only after the China episode that the pro-Western sections within the Congress Party itself felt bold enough to question the fundamentals of Nehru's policies to the point of compelling him to take up a tough stand while it was still possible to arrive at an amicable settlement of the border dispute. From then on the critics started shedding their masks and stopped pretending that the country's foreign policy was sound and only its publicity was bad, or that a good policy in itself can be a sufficient compensation for poor performance.

Distorted

The debates on foreign affairs are still distorted by many such inhibitions with the participants from both sides taking a highly emotional attitude on some issues to the point of becoming quite irrational at times or deliberately turning a blind eye at the inadequacies of the country's responses to different situations by treating foreign policy as a close preserve of the Prime Minister and her advisers, something sacrosanct that was best left to her better judgment.

As a result there has been a steady decline in the quality of the debates over the years and the few who bother to participate display amazing ignorance. The Government invariably manages to have its way thanks to this confusion by making the members imagine that an unflinching support for foreign policy is a hallmark of their patriotism.

The same sort of ambivalence prevails, in a sharper form, during the Defence debates when the patriotic fervour of the members assumes further overtones. There is no informed discussion on the nature of the security threats, the ability of the country's armed

forces to cope with them, the adequacy of the present command structure, force levels and quality of equipment, the degree of self-sufficiency achieved in defence production or the nature of administrative relationship between the political leadership and the armed forces.

Complex web

After the nightmarish years of Krishna Menon, successive Defence Ministers have tried to maintain a cordial relationship with the service chiefs at the political level and follow a policy of least interference in the matter of postings and promotions, the functioning of the command structure and the choice of equipment for modernisation of the armed forces. But the day-to-day relationship between the Defence Ministry as a civilian set-up and the three service headquarters as military establishments with their own rules and regulations need to be streamlined to make this complex web function smoothly without recurring frictions.

The higher direction of the defence forces cannot be improved by simply superimposing civilian authority over the military domain, unless it is followed up by creating sound traditions for dovetailing the two into a functional frame with its own checks and balances in consonance with the country's political system. It is for the Government to define the foreign policy aims, spell out the security aspects inherent in the pursuit of these objectives and make adequate financial provision for meeting these responsibilities under varying conditions. The three services should have their full say in stipulating the force levels and other requirements for achieving these objectives with the necessary margin of safety in the changing security environment.

Opposition

The abolition of the post of an overall Commander-in-Chief for the Army, Navy and Air Force has not been followed by the creation of a Chief of the Joint Staff to coordinate the activities of the three services and provide for joint planning of the operations without impinging on their present command structure. The civilians in the Defence Ministry and the chiefs of the three services have been opposing the idea for the simple reason that they do not want the emergence of a powerful buffer impinging on their powers both at the policy-making levels and in the actual conduct of operations.

The absurdity of this situation, it can now be disclosed, was exposed during the 1965 conflict, when the then Army chief, General J. N. Chaudhury, was so very secretive about the hour and date of the attack on the Lahore front that the Chief of the Air Staff, Air Chief Marshal Arjan Singh, did not know that the war had already started until the Pakistani aircraft bombed the Halwara air base. There was, no doubt, better coordination during the 1971 war when the three service chiefs functioned more closely, but it left many gaps in the actual conduct of the operations on the Bangladesh front. No step has been taken in the last 12 years to remove the lacunae by evolving a more flexible

command structure for the conduct of combined operations.

It is necessary for the Defence Minister to keep an open mind on such issues without foreclosing his options on the basis of one-sided advice. He spoke somewhat casually on the subject maintaining that the present arrangement was working satisfactorily, thereby precluding the need for any change. He was also rather overoptimistic about India's capacity to design and produce the latest weaponry to meet the requirements of the next generation, glossing over the fact that the country has still not designed an internal combustion engine, whether it is for a jeep, a truck, a tank or an aircraft.

This does not mean that the Defence scientists should not go ahead with their ambitious R and D programmes. It only implies that one should not arouse undue expectations in the minds of the people. There is need for a proper correlation between the country's foreign policy objectives and its defence capabilities in the present-day security environment of the region. It is not at all necessary to shy away from a debate on the role of nuclear weapons in the Indian context and the circumstances in which the country might have to exercise the option. The Government had hitherto discouraged even a mention of the subject, imagining that it would give an excuse to others to step up pressures on India to make a categorical commitment not to go in for nuclear weapons.

It was, therefore, quite significant that the Defence Minister chose to assert India's right to exercise the right to go in for nuclear-powered submarines, without disclosing that Indian scientists had been working on this perfectly legitimate use of nuclear propulsion. The announcement itself was taken by the Western diplomats in Delhi as a hint of India's determination to exercise the nuclear option half-way in the near future, while reserving the right to go the whole hog later if the circumstances warranted it. The members who listened to Mr. Venkataraman's reply did not realise the significance of this assertion of India's right.

The policy-making processes in the field of foreign affairs are much more complex in the sense that these must emanate from the Prime Minister herself who has the primary responsibility for the conduct of the country's external relations. The External Affairs Ministry, which plays a secondary role by providing only expert advice and implementing the policies decided upon by the Prime Minister, is burdened with a surfeit of secretaries reporting directly to the Foreign Minister as though they were holding independent charges. It had led to a lot of avoidable confusion and duplication which is not the case in the foreign offices of other countries which have better defined hierarchical systems.

Role of key figure

Though the Foreign Secretary is only first among equals, he should be able to function as the effective head of the Ministry and the chief coordinator of all policy decisions, acting as the principal adviser of the Foreign Minister and through him the Prime Minister herself in all

matters concerning foreign policy and its interrelation with defence. He has to function in effect as a secretary-general as in Nehru's time — not merely as head of the External Affairs Ministry but also as one of the key figures in dealing with the geopolitical and geostrategic aspects of foreign policy and defence.

And even if the Government has no intention of making any such changes at present,

there is no harm in permitting an informed discussion on the closely interconnected and correlated aspects of internal and external policies, between foreign policy and defence. This job is done in more advanced countries by private institutions, so that the Government could have the benefit of their knowledge.

CSO: 4600/1018

REPORTAGE ON SHORTCOMINGS IN DEFENSE PURCHASING

Purchases from Hindustan Monark

Calcutta THE STATESMAN in English 5, 6 Apr 83

[5 Apr 83 p 9]

[Text] Hindustan Monark, which created a stir in the oil trade--and in Parliament--by swinging the \$175 million (Rs 175 crores) petroleum (Kuo oil) deal has, now unknown to the public, diversified into defence.

In barely three years, which generally is the time taken to transact a single defence deal, Hindustan Monark has managed to have a stake in five defence deals valued at anything between Rs 20 crores and Rs 30 crores.

It is not without significance that Hindustan Monark has been pushing the products of WEJRA, a Danish firm with suspected Israeli connexions.

Insight has evidence to indicate that in many cases the ammunition being pushed by Hindustan Monark is not up to specifications. In some tests cartridges have burst. And yet there is danger of such ammunition being foisted on the Indian Army.

How has Monark been able to push WEJRA products in spite of an adverse report against it? How does Monark manage to be in the reckoning for most defence orders? And lastly how does an Indian bank offer credit facilities to Monark so easily?

Hindustan Monark is the best known of the companies owned by three brothers--Amar Chand Jain (52), Sulekh Chand Jain (46) and Harish Jain (38). It is Harish Jain, a metallurgist (a schoolmate of the late Sanjay Gandhi and Mr Rajiv Gandhi), who had clinched the Kuo oil deal.

To go into details, in February, 1980, Hindustan Monark Private Limited, agents for a South-East Asian oil brokerage firm, struck the controversial \$175 million (Rs 175 crores) Kuo oil deal, debated extensively in Parliament two years later. Within weeks of striking the oil deal, this firm had, unknown to the public at large, involved itself in defence deals worth several crores.

While not all the deals have materialized, Monark is now well entrenched in the defence sector by grabbing the prestigious forging contract for 105 mm shells. In this deal, the firm has not only outmanoeuvred well-established forging units but also been awarded a contract, in contravention of all rules. More significantly, the company's connexions as agents for a firm with Israeli connexions coincides with the Defence Ministry's increased dealings with the Israeli firm.

Monark's name figured in an inquiry for the supply of .50 heavy machine-guns. The deal was worth Rs 1.5 crores and Monark was representing SFM, a French firm. In spite of efforts to push the gun represented by Monark (more of that later), it did not materialize.

The second deal was for the supply of shells for the 105 mm gun. The order was worth Rs 1.5 crores and Monark was representing WEJRA, a firm with its headquarters in Allborg, Denmark.

The third deal was for the supply of 60 mm mortar spares. The order worth about Rs 1.25 crores was placed with WEJRA, again through Monark, on a single tender basis. The fourth deal was for the supply of ammunition for .50 heavy machine-gun. The deal has not yet been struck but Monark, representing this time Manufacture de Machines du Hant-Rhin S.A. (Manurhin), a French firm, is very much in the fray. This deal is worth about Rs 30 crores, perhaps the biggest defence order for Monark, if it swings it.

The fifth deal involves an order placed with Monark to supply about 40,000 shell forgings of 105 mm to ordnance factories. This contract is in Monark's bag and is worth over Rs 2 crores.

How did Monark, a relative fledgling in the tricky business of defence supplies, reach this position of comparative eminence within three years when this is the normal gestation period of a defence order to be executed? What was its experience in this line to justify such trust?

Let us examine each deal. In the .50 heavy machine-gun deal, initially two firms were in the race. Fabrique Nationale d'Armes de Guerre (FN) of Belgium, and Rumo of the USA. Their guns were tried out between May 7 and 18, 1979 at Mhow (M.P.) and Pune (Maharashtra). Rumo was out of the race after one of its gun components broke.

The FN gun also did not fare well in the technical trials. Retrials were ordered and this facilitated the entry of Monark, besides others. On August 26 and September 4, 1980 the trials were held at Pune. The two guns of SFM, a French firm, represented by Monark, were rejected. These guns of the World War II period were from the Rock Island arsenal in the USA and were being foisted on the Indian Army by Monark.

Finally, after several months the guns of Meramount, an American firm, which had joined the race in the retrials were chosen.

Now Monark is in the fray in the ammunition deal for these guns. Monark is representing the French firm, Manurhin. The total order is likely to

run into Rs 60 crores and is likely to be split among three firms. Originally seven firms were competing but the competition is now among Manurhin, FN of Belgium and Eurometal of Holland. Some tests have also been carried out.

While the results of the technical trials at Pune are not known, Manurhin represented by Monark, did not do very well at the trials in September, 1982 at Mhow, near Indore--the ammunition was said to have lost on accuracy in shorter ranges.

At one time after the tests, Manurhin was out of the race but is now said to be a powerful contender after the French President's visit to India early this year.

Expert overall rating of the ammunition is as follows:

(a) Ball (a kind of ammunition): (i) Holland (Eurometal), (ii) Italy, (iii) Belgium (FN), (iv) France (Manurhin represented by Hindustan Monark).

(b) Armour piercing: (i) Holland, (ii) Belgium, (iii) Italy, (iv) Brazil/France.

(c) Armour piercing incendiary: (i) Holland, (ii) Belgium, (iii) South Korea/Italy, (iv) Brazil, (v) France.

(d) Armour piercing incendiary tracer: (i) Holland/Belgium, (ii) Italy, (iii) France.

(e) Tracer: (i) Holland, (ii) Belgium.

(f) Armour piercing incendiary hard core: Only Eurometal offered this ammunition.

In case of single source procurement the merit works out as under: (a) Holland, (b) Belgium, (c) Italy, (d) France.

The document by itself explains all. France, in other words Manurhin represented by Monark, should not normally have even a ghost of a chance.

Let us take a third deal. The Government of India had been giving orders for 105 mm shell forging to Indian units since 1976. At the same time shells were also being imported from time to time. From 1976 to 1978 two companies, WG Forge and Bharat Pumps and Compressors, a public sector undertaking, were given the orders.

Apparently the unwritten norm was that only established forging units familiar with defence supplies would be given the orders. The forging orders from 1978 to 1980 became a subject of controversy with many firms finding themselves in and out of the race.

The significant aspect of the tenders cited between 1976 and 1980 is that Hindustan Monark or any of its sister firms was not invited by the Government to participate in the bidding.

In fact Monark was never a contender. But two years later, when the proposal was revived on May 1, 1982, Monark not only bid for the first time but also clinched a part of the contract by elbowing out some of the firms.

When the tenders were opened, the competitors for the first time came to know that Hindustan Monark had no infrastructure for the purpose.

But for the Defence Ministry it seemed to be no drawback. It took a somewhat benevolent view that, after all, all contenders were new to the forging business.

Besides, where from was Monark hoping to get the forging unit? Mr Amar Chand Jain of Hindustan Monark claimed that they were buying the unit from a French secondhand machinery dealer. He said that WEJRA, which he described as a Danish firm, had informed Monark about the plant being available and had offered to help in buying it.

WEJRA is the company that is supplying 105 mm shells along with a Belgian company, PRB, to the Indian Government. Mr Jain claimed that Monark was not initially representing WEJRA in this deal but only entered the picture later. But from the very beginning, the manner in which the deal was pushed through was suspicious. PRB and WEJRA were straightaway given orders to supply 25,000 shells each without either a test or an inspection. The tests were to be conducted later and are, in fact, still going on. The order (No A/95211/DGI/(ARM-2) SEP) was placed in London in September 1981. Samples of WEJRA and PRB were later tested at Kanpur. The total order was for about 50,000 shells and was to be divided between the two firms. But Insight's inquiries reveal that there was quite an attempt to see that PRB failed in the tests and WEJRA was given the entire order.

The tests of WEJRA's samples were done in Kanpur in June 1982 and of PRB's samples in July. These tests were primarily for metallurgy purposes. In these tests PRB failed while WEJRA passed. In the filling and charging tests in August PRB performed exceedingly well while WEJRA shells failed. Six of their shells actually "burst".

In a more significant aspect--that of firing and accuracy--WEJRA shells failed. Strangely a fresh set of ammunition was rushed by WEJRA for tests to be done again--an unheard of procedure in defence trials. But PRB officials argued that the pieces were not found defective.

Apparently the manner in which the tests were conducted gave PRB the impression that they were about to be elbowed out. Their suspicions were strengthened when Lt Col N. L. Kheta of the Directorate of Armament Stores, sent a telegram on September 23, 1982, to PRB: "Advance samples of PRB. All tests satisfactory, including recovery proof. But not considered acceptable because of serious metallurgy deficiencies". PRB was also told that it should have offered live ammunition and not practice ammunition.

In a letter to Mr O. P. Behi, Director-General, Ordnance Board, on October 25, 1982, PRB's headquarters raised an objection. Quoting the tender inquiry, PRB argued that it was clear from it that inquiry was for practice ammunition. It said that PRB's shell body was the same in both practice and live-ammunition. They were made from the same steel and it did not have any bearing on the manufacturing process of both categories. No metallurgy problem existed in them. Therefore, the decision to reject their samples was "highly unjustified", PRB protested, and pointed out that it had, in fact, handled four contracts with India in 1968, 1969, 1971 and 1975.

Strangely, in spite of a strong case from PRB both contracts were cancelled. But months alter the contract was revived with both in the picture.

In November 1982, the Defence Ministry cancelled both contracts. The present position is that WEJRA is about to clinch the order for 25,000 shells even as their tests are going on for the third time.

WEJRA apparently was also involved in another post-1980 defence deal for the supply of 60 mm mortar spares. This order was worth Rs 1.25 crores on a single tender basis.

Some time in October 1981, the Defence Ministry belatedly woke up to ask about the connexions WEJRA had. Queries were sent to the Ministry of External Affairs and the Cabinet Secretariat. By April 1982, the Research and Analysis Wing (RAW) had made inquiries from London and Copenhagen. RAW reported that the firm did have "confirmed" Israeli connexions.

A source well acquainted with the European arms market said: "Officially WEJRA is a Danish company and it is difficult to prove that it has connexions with Soltam Israel as WEJRA is protected by the Danish Government, but within the defence market there is no secret that SALGAD, Tampella (Finland), Soltam (Israel) and WEJRA, Danmark, are owned by a Polish Jew who migrated to Finland where he started working for Tampella, which he later purchased."

The Defence Ministry is negotiating with WEJRA for 105 mm shells. More significantly WEJRA has promised all help to Hindustan Monark for setting up the forging unit. The sudden entry of WEJRA in the Indian defence market, a post-1980 phenomenon, is, to a large extent, due to Hindustan Monark.

Mr Amar Chand Jain says that he has known the chairman of WEJRA for the past 15 years. He, however, pooh-poohs reports of the firm's connexions with Israel. He says such allegations had in fact nearly cost him one of his deals. According to him, RAW had conducted an inquiry and RAW officials had asked for the firm's share certificates from London. Mr Jain adds: "People say I am close to the former Defence Secretary, Mr Menon, but it was Mr Menon himself who initiated the inquiries."

[6 Apr 83 p 9]

[Text] On September 9, 1980, the Central Government nominated eight people as Directors of the National Rayon Corporation Limited, Bombay.

Among those so appointed was Mr Amar Chand Jain, of Hindustan Monark Private Limited. Some of his business associates, including a neighbour of his, were among the other Directors named by the Government.

It was no ordinary appointment. Virtually on the eve of these appointments, The Central Government, through a Gazette notification, withdrew the power of such appointments from the Company Law Board.

The notification meant that the Government was withdrawing from the Company Law Board the power of selecting and naming the Director, a power it had enjoyed earlier, and vesting it in the Minister of Law, Justice and Company Affairs, who at that time was Mr P. Shiv Shanker.

The time lag between the Gazette notification (August 7) and the appointments to National Rayon Board (September 9) was about a month. Did the Department of Company Affairs know fully well that some of the persons sought to be nominated to the Board of National Rayon would not have been acceptable to the Company Law Board?

Mr Shiv Shanker and Mr Amar Chand Jain have known each other since the late 1970's--the time when Mr Shiv Shanker entered the political arena. Both have a base in Andhra Pradesh. Mr Shiv Shanker practised law for several decades in Hyderabad, where Mr Jain has had business interests and factories since 1959.

Since 1980 Mr Jain has had interests in various companies that have been doing none too well. Some of the companies have been showing losses steadily. His companies have borrowed extensively from banks and have fallen back considerably on repayment.

The A. C. Jain group of companies consists of Hindustan Monark Private Limited, Wire Products Private Limited, Andhra Pressings and Stamping Private Limited, Federal Sports, Ash Impex (ASH stand for the first letters of the first names of the three Jain brothers--Amar, Sulekh and Harish), Eastern Machinery Corporation, Hindustan Steel Products, and a few other firms.

A document prepared by Lakshmi Commercial Bank, one of the bankers of the group, on May 27, 1982, for the information of its Board of Directors says that this group's firms and their two owners, Amar Chand Jain and Sulekh Chand Jain, had outstanding advances amounting to about Rs 3.56 crores on April 17, 1982.

Loans & Advances

Of this Rs 89.07 lakhs was taken as inland loans and advances, Rs 2.51 crores as foreign exchange loans and limits and Rs 16.52 lakhs guarantees,

letters of credit and bills under the Industrial Development Bank of India.

The May 27 note, prepared for the Board, says: "The above company (Hindustan Monark) and its allied associate concerns are enjoying credit facilities at Branch office Hyderabad, branch office Connaught Circus and Foreign Exchange Department, New Delhi; some under the sanction of the Board others allowed by the Chairman. As required, vide resolution No 1 dated 3-6-1981 of the Staff System Review Committee, the detailed note showing the position of outstanding advances of the group as on 4-9-1981 was placed before the then Chairman on 26-10-1981 for his prior approval before placing the same before the Board. However, the then Chairan instead advised that the Company's renewal loan proposals be asked and be placed before the Board for review. Accordingly, the Branch Managers as well as Area Managers were instructed to insist upon the company for doing the needful, compliance of which is still awaited".

Regarding the Hindustan Monark account, the manager of the Hyderabad branch of the bank wrote: "The account with an outstanding of Rs 21.79 lakhs against usance bills worth Rs 18 lakhs is irregular. Bills due in April, 1981. Party has not made payments in spite of repeated requests and reminders. Mr A. C. Jain, Director, had assured to adjust this account fully in November, 1981."

For the past three years, officials, particularly in the middle management level of the bank, have been worried about the account. The Reserve Bank of India, which inspected the books of Lakshmi Commercial Bank, advised in September, 1978, that no further advances be made to the group.

While it was not mandatory for the bank to accept this advice, it should have, at least, made the senior officials cautious. On the contrary, all the advances which form part of the note prepared for the Board relate to the period after September, 1978. In fact, many are of the view that the Hyderabad branch of the bank was opened only for the convenience of this group. It is by far the greatest beneficiary of the Hyderabad branch. Of the total advances of Rs 1.20 crores made by the branch Rs 70 lakhs--almost 60%--was given to this group alone.

Irregular

Besides Lakshmi Commercial Bank, the group owes money to the Bank of Thanjavur and Andhra Bank. The note continues: "The party has been advised to furnish relevant data to enable us to submit regular proposals at the earliest. Some of the accounts have become irregular and the party has given an understanding that accounts would be regularized by 1982."

What the note really meant was that the companies, despite having been asked to submit fresh proposals, which included submission of the latest usance sheets and other financial papers, had not done so. Why? Insight was able to get expert opinion on the last available financial papers of Hindustan Monark which are available for inspection. The report of the

expert says: "Since the incorporation of the company on 24-10-1967, only one annual return prepared up to 27-2-1969 and annual accounts from 24-10-1967 to 31-5-1968 is available for inspection as the same either have not been filed or filed but not registered due to some unrectified defects therein and thus violated provisions of Sections 159 and 220 of the Companies Act, 1956."

While the balance sheets of Hindustan Monark and Federal Sports, the two main bread earners of the group, are not available, Insight was able to get details of their assessed income. For 1980-81 the assessed income of Hindustan Monark was Rs 89,073; for 1981-82 it was Rs 2,430 (though Hindustan Monark had filed income returns for 1981-82 as Rs 47,440, the assessed income finally accepted by the Income-Tax department was Rs 2,430 due to incentives claimed later).

As far as Federal Sports is concerned, for 1970-80, the assessed income was Rs 1,57,840. For 1980-81 it was Rs 47,800 and for 1981-82 it was Rs 51,470. For 1982-83, the firm has returned an income of Rs 90,190 but this is yet to be assessed.

These figures are themselves indicative of the "financial health" of the group. Some explanation for the financial position of Hindustan Monark can be found in the manner in which its trading has been curtailed overseas.

Hindustan Monark was primarily engaged in the manufacture of industrial claims. The company sold mainly to traders in Iran and a firm in West Germany. Trading with Iran was suspended following the overthrow of the Shah's regime and now there are some signs of resumption.

Insolvency

The West German buyer, Kommanditgesellschaft AHI Antriens Und., Hamburg, according to an international telex received by Monark on February 15, 1982, suspended payments owing to insolvency. In fact, there has been a lock-out in the Hyderabad factory of Hindustan Monark since September, 1982.

The assets of the Jains include a partly built-up factory at Ghaziabad, a house in Maharani Bagh, New Delhi, a seven-bedroom house in Court Road, Delhi, a building at 20/1, Asaf Ali Road, New Delhi, a house in Somajliguda, Hyderabad, the factory of Hindustan Monark at Balanagar Hyderabad, the factories of Andhra Wires, Federal Sports and Eastern Machinery Corporation in Hyderabad, and a flat at Jay Mahal, Churchgate, Bombay. The Jains own 15 cars. Besides the recently imported Mercedes that Mr Harish Jain uses, they also own a Toyota which Mr Amar Chand Jain uses. The offices of the group in Bombay, Delhi, Hyderabad and Ghaziabad are linked by telex. And in Delhi and Ghaziabad alone, the Jains have 15 telephone connexions.

Apart from these, the Jains have expensive property in their names. While banks are aware of these assets and hold mortgages on many, there seems to be little effort to recover the amounts due. On the other hand, banks appear to be allowing every consideration to the group in advancing large sums of money whenever asked.

The Jains came into business in a humble way. In Rohtak, where they originally belonged, their father, Nanak Chand Jain ran a cycle shop and later, a small sports goods shop. What remains of this shop can still be seen in Rohtak. In fact, the name of their first unit in Hyderabad--Federal Sports--is the same as that of the sports goods shop.

The Jains have been careful in maintaining contacts with politicians not merely at the Centre but in Andhra Pradesh too. Hyderabad has been for long their bastion in the South. And last year, Mr Amar Chand Jain was appointed a director of the State Government-managed Hyderabad Allwyn Metal Works Limited. The appointment was made by the former Minister for Major Industries in the Congress (I) Government, Mr M. Baga Reddi, whose name figured in a cement controversy last year.

When contacted by Insight Mr Jain volunteered without even being asked specifically, "All this talk of my political connexions is untrue. In fact, even Mr Shiv Shanker has stopped meeting me."

It was Mr Shiv Shanker himself who defended in Parliament the Kuo oil deal, in which Hindustan Monark was involved, and claimed that it was an "honest error of judgment". Considering the financial status of Hindustan Monark and its allied concerns one wonders whether the oil deal as well as the other deals are all "errors of judgment."

'Unanswered Questions' Noted

Calcutta THE STATESMAN in English 6 Apr 83 p 9

[Text] New Delhi, April 5.--The Union Defence Minister, Mr R. Venkataraman's intervention in the defence debate in Parliament on Monday to rebut THE STATESMAN's Insight report on Hindustan Monark have left several questions unanswered.

He had nothing to say about other deals. About the order for 105mm shells, for instance, given to PRB, a Belgian firm, and WEJRA, a Danish firm. Was it because WEJRA shells burst in the tests held in August 1982? When the shells burst, WEJRA's representative (Hindustan Monark) claimed that something was wrong with the gun.

How was Monark's contention accepted and with whose permission was a fresh set of ammunition brought for testing?

The Defence Minister was also silent about inquiries relating to WEJRA's Israeli connexions which, incidentally, were initiated by his own Ministry.

With regard to the .50 heavy machinegun ammunition deal, the Defence Minister said that the report only speculated on the possibility of Monark swinging the deal. Mr Venkataraman asked: "What is this wonderful charge? It is a waste of newsprint".

The question is not whether Monark can swing the deal or not. The question, simply put, is whether the firm even deserves to be in the reckoning in the

light of the test reports. Significantly, the Minister did not categorically state that the French firm represented by Monark was out of the race.

As far as the order for 105mm shell forgings is concerned, Mr Venkataraman appeared to have missed the point sought to be made by the report. Mr Venkataraman had this to say about the forgings contract: "We have gone by the correct procedure, namely, we have accepted the lowest tender. If we do not accept the lowest tender we are pilloried and asked questions in Parliament. If I do not accept the lowest tender, then I am guilty of breach of all the audit regulations, all the financial resolutions; and if I accept it, then you ask me to go into the question of whether he has the financial capacity".

But the question is not whether Monark gave the lowest tender price (the Insight report did not make an issue of this) but how the firm came to be involved in the tendering process itself. All that Monark had to offer was an assurance to the Government that it would soon get a second-hand forging press from Europe.

How could a firm which did not have a forging press and, most important, no experience in the forging line, participate in a tender for supply of shell forgings and clinch it when there was an established firm, Bharat Forge, with the necessary infrastructure and experience of defence supplies, which had quoted a favourable price?

Monark, with no experience in the line, clinches the deal. The Government allows 14 months to the firm for setting up a plant.

Any why was the Defence Minister silent about the inspection report on Monark's premises at Ghaziabad? Insight had quoted from the report which said that Monark had "a boundary wall and nothing else".

Can the Defence Minister deny that such a report exists or that wheat is being grown at the proposed site for the forging unit?

CSO: 4600/1007

INDIA

REPORTAGE ON CPI NATIONAL COUNCIL MEETING

Rao Releases Communique

New Delhi PATRIOT in English 8 Apr 83 pp 1, 7

[Text] The Communist Party of India is opposed to any steps that would weaken the Centre and render it ineffective to preserve the country's unity and further national integration.

The party's National Council, which met in the Capital from 1 to 5 April has welcomed the appointment of the Sarkaria Commission for reviewing the Centre-State relations, though it feels that it should be made broadbased.

CPI general secretary C Rajeswara Rao on Thursday released an eight-page communique on the National Council meeting and explained the decisions taken therein.

The Council proposed that the Sarkaria Commission's composition and terms of reference should be settled in consultation with all parties represented in Parliament and the State Assemblies. It affirmed the CPI's view of restructuring the Centre-State relations to provide wider legislative and financial resources to the States to meet the growing needs of development.

At the same time it said the suggestion to restrict the powers of the Centre merely to four subjects like defence, foreign affairs, communications and currency must be opposed.

'To make the Centre so ineffective as to hinder it from discharging its responsibilities for integrated economic development and the task of maintaining national unity, furthering national integration and strengthening with due regard to the needs of the legitimate aspirations of the States and various nationalities, would be harmful. Such demands are, therefore, not only wrong, but also strengthen such forces as are opposed to giving even legitimate wider powers to the States the Council noted. [as published]

The Council pointed out that the masses were fast losing faith in the Congress-I and desired a change but the "Left" and democratic forces have not yet emerged strong enough to project themselves as a viable alternative

on a national scale". It conceded that "political organisational weaknesses of the Left have been revealed in the (recent) elections" to the State Assemblies especially in Andhra and Karnataka. In this situation, there was an urgent need for Left parties to "vigorously project issues of national integration, integrated economic planning, faster growth of the country's economy, fight against communal, separatist and other divisive forces, as well as issues of peace, anti-imperialism, non-alignment", and draw the various regional parties in campaigns on these issues, "in order to isolate the disruptive and reactionary parties and groups". Such a course of action would ultimately help the emergence of a viable Left and democratic alternative, it maintained.

The Council explained that the CPI wanted replacement of the bourgeois Congress-I Government by a Left and democratic government so as to overcome the present crisis by breaking away from the capitalist path. However, the communique said, "we do not want another bourgeois government pursuing the same disastrous course". On the contrary, the CPI desired progress towards an "alternative path of development through intensive political propaganda and political action and by leading the masses in determined struggles".

Nam Summit

It hailed the success of the Seventh Non-Aligned Summit positively appraising the role of Cuban President Fidel Castro Ruz and Mrs Indira Gandhi, the present chairperson on the movement, "whose keynote addresses set the tone for the deliberations".

Referring to the external situation, it noted India's "important and positive role in world politics and in the struggle for preserving peace" and warned against pressure, both internal and external, seeking to bring about a change or erode the "broadly progressive foreign policy being pursued by the government led by Mrs Indira Gandhi".

"We must fight such pressures and protect our country's foreign policy. The Left parties have a special responsibility in mobilising all the anti-imperialist and patriotic forces of the nation for this purpose", the communique declared.

On Regionalism

The CPI general secretary distinguished regional parties from 'regionalist' and separatist forces. Asked in which category the Telugu Desam fell, he said it was a regional party which had earlier aired some regionalist views bordering on chauvinism, but now in response to the Left parties, queries had openly come out in favour of safeguarding national unity and progressive foreign policy.

Mr Rao said the Communist Parties had failed to stand up on their own in Andhra before the Telugu Desam wave, "except in places where we jointly fought real battles and not symbolic ones". Yet the two CPs were much nearer to each other than at any time in the past, and this was a matter of 'satisfaction' as it showed the result of growing Left unity.

On Punjab, he criticised the Prime Minister for not coming out with her own proposals on the disputes. In case the Akalis refused to attend a meeting called by the Prime Minister to resolve the Punjab tangle, they could participate in a meeting CPI wanted to convene with other Opposition parties for the purpose. The Akalis had already been sounded on this and though they are yet to respond, Mr Rao was hopeful that they would.

The Council lashed out at the BJP and this was also reflected in Mr Rao's observations. The Assam agitationists were not communal in the beginning but it was the entry of the BJP in the State which changed the situation, he held.

He felt Mrs Gandhi should invite all political parties to discuss the Assam developments so as to enable the people to know "who are for a solution and who are against a solution on the foreigners' issue". The CPI wanted the Government to make a unilateral declaration projecting its solution to the Assam problem and this was expected before the elections there. But it was a mystery why this did not come.

Resolution on 'U.S. War Plans'

New Delhi PATRIOT in English 7 Apr 83 p 1

[Text]

THE national council of the CPI has called upon people to intensify their actions for preventing a nuclear war and thwarting US war plans in this region.

A resolution adopted by the council at its meeting held in the Capital from 1 to 5 April, clearly indicated that the party was keen to unite all sections of the people, including those following the Congress-I, in a mass mobilisation in defence of peace.

The resolution on 'Mass Actions Against US War Plans' highlighted the need to take effective steps for implementing the Seventh Non-Aligned Summit's appeal for disarmament.

Particular emphasis was laid on organising movements against the new US Central Military Command which would include the Rapid Deployment Forces especially in the Gulf region; Diego Garcia and other modernised bases in the Indian Ocean; and the US supply of sophisticated weapons to Pakistan.

Underscoring the significance of peace movements in Western Europe and the US and conveying

the party's 'warm congratulations' to the participants of these actions, the resolution observed: "The Indian peace movement is linking itself ever more closely with the mass movement in Europe and all over the world, with the common aim of making 1983 the year of boycotting the road to nuclear annihilation, towards peace and disarmament".

In the council's view, if the US-NATO plans for deployment of Pershing-II and Cruise missiles in Europe were not halted, a "new and perhaps irreversible round of the arms race will bring the world to the very precipice of a nuclear war and annihilation".

It was the CPI's considered opinion that the clearcut Soviet proposals for ending the war danger and real disarmament as spelt out by Soviet Communist Party General Secretary Yuri Andropov "have given new strength to all who stand for peace". The proposals—also advanced by the Warsaw Treaty member-States—were based on principles of equality and equal security and thus had the potentiality of leading to firm agreements to stop the present drive towards war.

CSO: 4600/1011

CPI-M LEADER GIVES VIEWS ON PRC, CPSU

New Delhi PATRIOT in English 12 Apr 83 p 1

[Text]

The CPI-M will for the first time send a delegation to China at the invitation of the Chinese Communist Party and it expects this visit to restore the fraternal party-to-party relations the Beijing leaders had snapped at the height of the Naxalbari revolt in 1967.

The delegation, comprising party general secretary E M S Namboodiripad and Polit-bureau members M Basavapunnaiiah and Har-kishan Singh Surjeet, MP, is due to leave for Beijing on 22 April for a fortnight.

Mr Basavapunnaiiah told newsmen at the party headquarters in the Capital that talks between the CPI-M and the CPC had been going on for quite some time to reforge the party-to-party relations.

Asked whether the CPI-M leaders would discuss such matters as the border dispute between the two countries, Mr Basavapunnaiiah said they would themselves not raise the issue unless the Chinese specifically asked them.

In reply to another question on the CPI-M views regarding the Chinese claim on Arunachal Pradesh, he said: 'Nothing should be done by either the Government of India or the Chinese Government that could further strain our relations.' Referring to Mrs Gandhi's latest statement criticising China's attitude to the border negotiations, he pointed out that 'this kind of ding-dong battle will not serve any useful and positive purpose.' The CPI-M on its own had all along refused to get involved in such matters and nothing on these issues found publicity in its party literature he added.

RELATIONS WITH CPSU

He said that the CPI-M's relations with the Soviet Communist Party were improving with increasing exchange of delegations between mass organisations of the two parties.

Explaining the central committee meeting's decisions held in the Capital from 5 to 7 April, Mr Basavapunnaiiah said: 'We are for a strong Centre. Without that there is no India. But it is also important to realise the

need to guarantee the States' autonomy.' The Committee viewed the setting up of the Sarkaria Commission as a 'reflection of the universal recognition of the validity of such a demand.'

Mr Basavapunnaiiah said the whole history of the ruling party's tackling of the Centre-State relations was one of 'ignorance.'

Asked whether the CPI-M views on regional parties differed from those of the CPI on the subject, he pointed out that the CPI-M had always maintained a 'positive stand' in relation to the regional parties as they were helpful to break the Congress monopoly of power notwithstanding their class composition.

He sharply criticised the Congress-I for mishandling both the Assam and Punjab situations. He was particularly opposed to the manner in which the Prime Minister had conceded the Akalis' religious demands to placate a particular community.

The central committee condemned the police firing on Akali agitators and expressed grief at the loss of life and injuries to demonstrators.

CSO: 4600/1021

GOVERNORS MEET MARKED BY CONCERN OVER VIOLENCE

Madras THE HINDU in English 10 Apr 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 9.

At the annual conference of Governors which he inaugurated today, the President, Mr. Zail Singh, voiced his grave concern at the new wave of violence in the country, while calling upon the Central and State Governments to take all possible steps to promote communal unity, deal firmly with anti-social elements and curb the creeping indiscipline that was degrading national life.

In his simple, straightforward manner, he gave expression to his deep anguish over the tragic happenings in Assam, besides deploring the ugly turn of events in Punjab despite the earnest attempts of the Centre to settle the Akali problem.

The Governors who spoke about the situation in their respective States shared the President's concern at the growing tendency in the country to resort to violence on any pretext and vitiate the political atmosphere, causing immense suffering to the people. They welcomed the suggestion that it would not be inconsistent with their constitutional role to advise the State Governments concerned to take proper precautionary measures in time to prevent the outbreak of violence in times of political controversies or communal tensions.

The Prime Minister, Mrs. Indira Gandhi, the Home Minister, Mr. P. C. Sethi, the Finance Minister, Mr. Pranab Mukherjee, and other senior Central Ministers will be addressing the Governors tomorrow on political and economic issues, before the conclusion of the two-day conference, the first to be held after Mr. Zail Singh's assumption of office as President. This annual conference has come to assume some importance this year because of the renewed interest in the role of Governors in the context of the proposed review of Centre-State relations.

Though the terms of reference of the Sarkaria Commission have not yet been finalised, one of the main issues to be examined by it will relate to the role of the Governors as agents of the President in terms of their oath to "preserve, protect and defend" the Constitution. One of the major grievances of the States has been that, in recommending imposition of

President's rule, the Governors have often acted as pro-consuls of the Central Government and not as constitutional heads of the States concerned.

But more immediately both the Central and State Governments are greatly concerned about the law and order problems posed by the upsurge of regional and other parochial feelings leading to frequent violence. It is against this background that the President came forward with the theory today that, even as constitutional heads, the Governors had the responsibility to keep a special watch on communal tensions and sectarian agitations and advise their Governments on the precautionary steps to be taken to cope with such challenges in time.

The President utilised the occasion to stress that though much has been achieved on the economic front, much more still remained to be done to bring the full benefits of planned development to the weaker sections. He commended the rural development schemes initiated by the Government, while pointing out that the Governors could exercise a positive influence in the socio-economic sphere to improve the living standards of the poor people.

He was equally eloquent in his references to the Asiad which in his view helped to uplift the national spirit, while commending Mrs. Gandhi's new role as head of the non-aligned movement. If the Asiad had instilled a new sense of confidence among the country's youth, the summit had demonstrated the solidarity of the non-aligned nations.

Apart from the President's inaugural address, the text of the speeches of the Prime Minister and other Ministers as well as those of the Governors made at these conferences are not released for publication. The official summaries of the day's proceedings do not generally disclose the sensitive issues discussed or what each one had said on these subjects.

It was officially stated that 14 Governors participated in the discussion that followed the President's address, with prepared speeches on various subjects including law and order, student unrest and the public distribution system.

MINISTER TELLS POLICY ON INDIAN OCEAN CONFERENCE

New Delhi PATRIOT in English 8 Apr 83 p 5

[Text]

India believes that all great powers should participate in the conference of the United Nations ad hoc committee on the Indian Ocean and it continues to oppose attempts by several countries in the committee to "side-step" the core issue, and introduce 'extraneous elements', reports UNL

Reiterating Indian policy in a written answer in the Lok Sabha on Thursday, Minister of State for External Affairs A A Rahim pointed out to Mr B V Desai and Mr Chitta Baus that decisions in the ad hoc committee were taken by 'consensus' and there were some countries who still opposed finalisation of the dates of the conference.

"If a truncated conference was held without their participation, this might release them (the major powers) from the obligations arising from such a conference and from reducing their military presence in the Indian Ocean", he said.

Mr Rahim recalled that in the recent sessions of the committee, the United States and some other western countries had stated that a great deal of harmonisation of views on substantive issues and a substantial improvement in the political and security climate in the region, including Soviet withdrawal from Afghanistan, were necessary before the conference on the Indian Ocean was convened.

Answering another question from Mr Desai about the US

presidential proclamation of 10 March establishing an exclusive economic zone (EEZ) of 200 nautical miles for the United States, Mr Rahim said the proclamation did not appear to be inconsistent with the recently adopted UN convention on the law of the sea.

Several States, including India, had established exclusive economic zones of 200 nautical miles off their coasts in which they exercised sovereign rights over living and non-living resources, he said.

Mr Rahim said the United States had refused to sign the UN convention on the law of the sea because of their 'dissatisfaction' with its provisions concerning exploration and exploitation of the resources of the international seabed area which had been declared as the 'common heritage of mankind'.

"The United States has taken the position that their entities can go ahead with the mining of these resources under the freedoms of the high seas and in accordance with the US national legislation", Mr Rahim said.

This position of the United States had been 'vehemently' opposed at the conference by all the developing States, including India, the West European States and the Socialist States who had taken the position that the United States could not 'pick and choose' from the provisions of the convention, accepting some and rejecting the others, Mr Rahim explained.

INDIA

MINISTRY OF INDUSTRY RELEASES ANNUAL REPORT

Calcutta THE STATESMAN in English 8 Apr 83 p 9

[Text] New Delhi, April 7.--The annual report of the Ministry of Industry, released today, lists the changes and liberalization measures in the Government's industrial policy last year, but is silent on the impact this has had.

The changes, announced early last year, involve a scheme for maximum utilization of installed capacity based on production achieved in the last five financial years and permission to expand this capacity by 25% in addition to the 25% automatic growth allowed to them.

This was meant to encourage all companies, including the so-called monopoly houses and FERA companies, to increase their licensed capacity and production. But soon after the changes were announced, many companies complained that they were only superficially liberalized and that restrictions on their growth remained.

This is apparently borne out by the silence of the annual report on the response to the schemes to permit companies to expand licensed capacity and production.

The annual report says the Department of Industrial Development has been trying to streamline investment procedures, ensure expeditious disposal of proposals, promote industrial investment, consolidate infra-structure performance, raise industrial production and impart efficiency and competitiveness to the industrial sector during the year.

The most significant measure was that for the first time, an effort was made to fix capacity on the basis of production. A scheme has been worked out to give a positive production orientation to the industrial economy by removing capacity constraints on production without compromising the basic philosophy of the Industrial Policy Resolution, 1956.

On the basis of provisional production data for 147 selected industries with a weight of 83% in the index during April-November 1982, it has been observed that [number illegible] industries recorded positive growth; 43 industries showed a rise of more than 10% with 18 industries having a growth of over 25%. The rate of growth of production in 132 selected DCTD industries during the first 11 months of 1982 works out to 6.1% thereby showing a faster pace than the overall index of industrial production.

CSO: 4600/1013

FRG PLANS CUT IN DEVELOPMENT AID TO INDIA

New Delhi PATRIOT in English 7 Apr 83 pp 1, 7

[Text]

BONN, April 6—West German official development assistance (ODA) to India will amount to DM 337 million this year, instead of DM 360 million in 1982-83 and in the preceding five financial years, it is reliably learnt.

An agreement on Bonn's concessional aid to India will be signed at the conclusion of bilateral talks scheduled from 13 to 15 April in New Delhi.

Nearly one-third of West Germany's ODA will go to the energy sector, for which DM 225 million were allocated last year. A considerable part of the aid will be provided for procurement of commodities and for purchase of capital goods for the private and public sector industries, which obtained DM 100 million in 1982-83. West German funds will flow directly to the Industrial Credit and Investment Corporation of India (ICICI) and the Industrial Finance Corporation of India (IFCI) which together got DM 35 million last year.

Allocations will be made for the National Agricultural Co-operative Marketing Federation (NAFED), small irrigation projects and the Housing and Urban Development Corporation which advances loans to state governments, housing boards and other housing and urban develop-

ment authorities. NAFED, which represents 3370 cooperative marketing societies in the country, promotes inter-State and export trade of farm produce. It exports commodities like onions, pulses, chillies, ginger, garlic and cardamom to a number of developed and developing countries.

The decline of DM 23 million or 6.4 per cent in Bonn's ODA to India is attributed by official sources here to "the programme of austerity imposed by general economic situation". While the budget of the Federal Ministry for Economic Cooperation has been increased by 3.9 per cent to approximately DM 6.7 billion, cuts have had to be made in the new aid commitments for 1983 and the next few years, it is pointed out. For, commitments totalling over DM 29 billion made in previous years have been fulfilled quicker than planned.

West German Aid Minister Juergen Warnke has said in an interview to this correspondent: "The cut in new commitments to India is far below the average cut for other states, which is of an order of between 25 and 30 per cent".

He added: "I hope this will be acknowledged by your Government and trust that traditional good and friendly relations between us will be upheld and consolidated even at this difficult time, during the lean years".

Dr Warnke admitted that the bulk (70-80 per cent) of Bonn's concessional loans to India have flowed back in the form of orders placed with West German firms. "In view of the understanding which has been shown on this point by our Indian partners, I have no doubt that we shall continue to enjoy good bilateral trade relations in the future", he added. Indo-West German trade is now running at some DM 3.5 billion, though deficit to the detriment of India amounted to DM 970.797 million in 1981 and DM 877.289 million last year.

The Minister said he was quite aware that "the Indian Government is making a big effort to open up its economy to foreign investment, foreign technology and foreign goods". Bonn, he added, considers this economic policy to be "basically on the right lines and is therefore supporting your country at the present difficult time to the best of its ability". Besides, India heads the table of recipients of bilateral West German aid, with capital aid loan commitments totalling DM 7629 million.

The Indian development policy, said Dr Warnke, is viewed favourably by all the international institutions concerned. This had been borne out by recent World Bank and IMF reports and by the results of the discussions at the Aid India Consortium in Paris.

CSO: 4600/1011

INDIA REPORTED TO FAVOR VIETNAM, ASEAN TALKS

Madras THE HINDU in English 11 Apr 83 p 1

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 10.

As chairman of the non-aligned movement, India is finding itself placed in an embarrassing situation by the latest border incidents between the Vietnamese troops in Kampuchea and the Thai Army which has been equipped by the U.S. to deal with such situations.

According to diplomatic reports reaching Delhi, an intensification of these clashes on the Thai-Kampuchean border can be expected after the U.S. has airlifted anti-aircraft and other missiles and also sent in the latest 155-mm rapid firing howitzers with an extended range for shelling the forward Vietnamese positions.

The Soviet Union also is reported to be despatching the latest versions of shoulder-fired SAM-7 and SAM-8 missiles to counter the new American-supplied weapons. The Vietnamese forces which have dug in deeply along the border are poised for an attack on the Khmer Rouge camps on the Thai side from where Pol Pot's remnants have been carrying out hit and run raids on Heng Samrin's forces.

The Association of South-East Asian Nations which is taking a serious view of this development, has called upon India to use its influence as chairman of NAM to restrain Vietnam. Though Thailand itself is not a member of the non-aligned community, Indonesia, Malaysia and Singapore are full members, while the Philippines is an observer which entitles it to line up with the other three in pressing for some initiative by NAM to prevent a recurrence of the incidents between Thai and Vietnamese forces.

The External Affairs Minister, Mr. P. V. Narasimha Rao, will be going to Kuala Lumpur next month to attend a non-aligned regional meeting on Palestine. The ASEAN Ministers

are bound to take up this matter with him, in the light of what the Singapore Foreign Minister, Mr. Suppiah Dhanabalan, has already said on the subject.

Mr. Dhanabalan now in Kuala Lumpur said that as part of the concerted diplomatic campaign by ASEAN against Vietnam the Singapore Foreign Office had told the Indian Ambassador that an expression of concern by India over the current "Vietnamese offensive" would be helpful. Singapore is also reported to have said that India as NAM Chairman should hold a meeting of member nations).

Meanwhile, India is trying to ascertain the facts from not only Thailand and Vietnam but also other countries which are in a position to shed some light on the border situation. It has no intention of intervening on its own, but as chairman of NAM it cannot evade the issue if a number of member countries call for a meeting of the coordination bureau to discuss the situation.

As it did in the case of Nicaragua, India will have to speak up on behalf of the non-aligned countries if the issue is raised before the Security Council in the event of further incidents. It is for this reason that India has been informally ascertaining the views of other countries to see what could be done to prevent an escalation.

During the recent non-aligned summit in Delhi, the Vietnamese Foreign Minister, Mr. Nguyen Co Thach, had a private meeting with his Malaysian counterpart, Mr. Ghazali Shafie, to explore the possibilities of direct negotiations between ASEAN and the three Indo-China States. Though he pressed hard for Kampuchean participation in such talks, he was not averse to the idea of keeping the rival regimes out for the present.

A more disquieting development, from ASEAN's point of view, is the reported remark of the Director of the Asian Division in the Soviet Foreign Ministry, Mr. Michel Kapista, that if the Kampuchean crisis continued interminably without any settlement in sight, Vietnam might feel compelled by

sheer force of circumstances, to extend support to the communist underground in Malaysia to safeguard its own tactical position. Though the Malaysian communist leaders have traditionally drawn their inspiration from China, they might not be altogether unresponsive to Soviet offers of political and material support through Vietnam.

The Indian view is that the prolongation of the present controversy over Kampuchea would complicate matters posing serious security problems in the region. The other nonaligned countries in the area including India are as much concerned as ASEAN over the latest border incidents, which could bring back the U.S. more openly into the picture.

The Indian approach, therefore, is to keep a controlled attitude over this conflict, while continuing to explore the possibilities of a negotiated settlement. As a country that has recognised the Heng Samrin regime, India has no doubt a strong national position on Kampuchea, but it sees no contradiction in supporting the moves for direct talks between ASEAN and Vietnam as a prelude to wider negotiations.

CSO: 4600/1019

JAPANESE EXPERTISE FOR TECHNOLOGICAL ADVANCE

Madras THE HINDU in English 11 Apr 83 p 8

[Article by Nitish Chakravarty]

[Text] **T**HE Japanese Government has been an important member of the Aid India Consortium since its inception 25 years ago. Between 1958 and 1982 concessional loans given by Japan to India added up to over 478 billion yen. In addition, rescheduled loans come to about 97 billion yen. India is the second largest beneficiary of the Japanese Government credit after Indonesia.

While these figures say a great deal, what is perhaps more impressive is the increasingly important role of Japan's leading industrial houses in accelerating India's march towards technological excellence and economic self-reliance. The involvement of Japanese expertise spans a wide spectrum — from dry battery cells to power equipment.

One of the earliest projects in which Japanese cooperation began with India, not as one-shot of technology but as a long-term mutual involvement in production, is Transformers and Electricals Limited (TELK) near Ernakulam in Kerala. Hitachi Ltd., one of the largest industrial enterprises in Japan, not only provides TELK with technology but has a stake in its equity.

The involvement of the Japanese in the Cochin shipyard has helped the undertaking in modernising its technology and taking up the construction of bulk carriers capable of hauling 75,000 tonnes. The Cochin shipyard has also acquired from its Japanese collaborators a lot of expertise on the repair of ships.

Mr. C. L. Anand of Toshiba Anand Ltd., a manufacturer of dry batteries with production facilities in Kerala and Punjab, thinks the Japanese are difficult to negotiate with, but once a deal is struck they leave no stone unturned to ensure that it is a complete success. Some others with records of long association with the Japanese tend to endorse Mr. Anand's view.

Industrial cooperation

Japanese association with India is spread far and wide, and pressmen had a glimpse of how industrial cooperation between the two countries has flourished in the course of a visit to several industrial enterprises in Baroda, Bombay and Kerala recently. Everywhere Japanese efficiency and dedication to work has made an impression on their Indian colleagues.

The Japanese eye for the detail is almost legendary. A small but instructive instance of this was noticed at a lunch hosted for the visiting journalists at Baroda. It so happened that most of the journalists were seated together at the table, while the executives of the host company were at the other end. The Japanese deputy managing director however saw to it that each journalist had an executive by his side so that views on the company's performance could be exchanged conveniently.

The visit to the TELK factory in Angamaly on the outskirts of Ernakulam came on the final day of the week-long tour, but it was possibly the most important project involving not only Japanese technological cooperation but financial participation. Incorporated in December 1963, TELK has emerged as the manufacturer of the highest capacity transformers in India.

Important role for TELK

Mr. Thomas Philip, Managing Director of TELK, is certain that his company will play an important role in the power industry as a stage has been reached when high voltage transmission over long distances will be the rule rather than an exception. With giant power plants taking shape in various parts of the country, the need has arisen to arrange for the bulk transmission of electricity at a high voltage to economise on transmission costs and to avoid wastage of power.

The product range of TELK includes power transformers upto 260 MVA 400 KV class, current transformers upto 400 KV, voltage transformers upto 220 KV, high voltage bushings upto 400 KV, on load tap changers suitable for transformers upto 400 KV, minimum oil circuit breakers upto 132 KV and gas circuit breakers upto 400 KV. This is an impressive achievement after a modest beginning in 1965 with 66 KV transformers of three MVA capacity.

TELK is now in the midst of its fourth stage of expansion which is estimated to involve an outlay of Rs. 7.25 crores. On completion it will have facilities to manufacture SF6 gas filled circuit breakers. Its capacity to manufacture both power and current transformers will also be doubled. Its absorption of the 400 KV technology has been brisk and it has already supplied a large number of 400 KV transformers and circuit breakers.

The company is considering further diversification schemes which may include the manufacture of isolated phase bus ducts suitable for generating plants of 500 MW capacity and vacuum circuit breakers. While pursuing its goal of higher production, TELK has been a catalyst in the horizontal transfer of technology. As a result a number of units providing sizable employment have come up in its vicinity. They make components and sub-assemblies which TELK itself buys.

TELK's connection with Hitachi Ltd. has been very useful to it, for Hitachi is one of the leading manufacturers of high voltage electrical equipment in the world and has developed substantial know-how in this field. TELK has easy access to this technology, for Hitachi has a 26 per cent share of its equity capital of Rs. 4 crores. The Kerala Government and the State Industrial Corporation together hold 62.62 per cent of the equity and the rest is shared by financing institutions and the public.

Nostalgic about an association

TELK has a very effective R and D cell, and implements various schemes for cost reduction and import substitution. It has developed a new design for transformers and

potential transformers which has won Hitachi's appreciation. It has a long-term in-house training programme for workmen and managerial personnel. Most of its managerial and supervisory staff are trained at Hitachi's works in Japan and a senior engineer from Hitachi is based at the TELK works as technical adviser.

Direct contact between the Gujarat State Fertilizers Company (GSFC) Ltd. at Baroda and their original Japanese collaborators ended quite some time ago, but even now GSFC employees are nostalgic about their association with the Japanese experts who set up the plant on a turnkey basis. The first phase of the GSFC, which was taken up in 1964, was funded through Japanese yen credit. It was completed in about 26 working months, considered a record in those days, when the normal period was three-and-a-half to four years.

Within a year of the completion of the first phase, the management took up negotiations for the second phase. These were completed in early 1967. The Japanese equipment supplied on credit was handled by the same set of contractors who dealt with the first phase. Later, a third plant was set up by the GSFC for the production of caprolactum needed mainly for nylon tyres. This also involved Japanese engineering though the technology came from the West.

The GSFC's total sales in 1983-84 are likely to be in the region of Rs. 200 crores, even though it is now more or less a buyer's market in fertilizers. As Mr. Moosa Raza, Managing Director of the GSFC, told the visiting journalists, the farmer now buys when he wants to buy. Earlier he had no choice and had to lap up whatever was available as supplies were fitful.

The farmers too have played a remarkable role in the setting up of the GSFC. When the proposal was mooted in the early 1960s funds were scarce. The farsighted farmers of Gujarat readily offered to invest a tidy sum of Rs. 1.3 crores in the venture. Though the GSFC's direct connection with Japan has snapped, it does not hesitate to seek Japanese expertise when necessary. Recently the Kobe company sent a team of experts to correct snags in the ammonia plant.

CSO: 4600/1019

REPORT ON RECOMMENDATIONS OF PUBLIC SECTOR PARLEY

Madras THE HINDU in English 7 Apr 83 p 9

[Text]

NEW DELHI, April 6.

The chiefs of the public sector undertakings are of the unanimous opinion that the managerial autonomy of the units should not be eroded under any circumstances.

Mr. P. K. Basu, Director-General of the Bureau of Public Sector Enterprises briefing newsmen on the recommendations of a two-day conference said it was also felt that the tenure of the chief executives should be adequate and should be five years.

Mr. Basu said the BPE would organise an eight-week advanced management programme for the top executives of the public sector enterprises in collaboration with the Indian Institute of Management. An "interesting feature"

of the programme, Mr. Basu said, was that the participants would be attached for two weeks to their respective administrative ministries. The public sector enterprises selection board had already chosen 41 candidates for the programme and they included chairmen, directors and General Managers.

Not enough sub-delegation of powers

It was decided at the conference that each enterprise should work out its own corporate training plan which would cover five to ten years keeping in mind the technology and managerial content of various jobs during this period. The conference took note of the fact

that while the delegation of powers to the Board of the Public Sector Undertakings by the Government was quite satisfactory, there had not been enough sub-delegation from the Board downwards. All the chief executives agreed that the delegation of powers must be extended to a much lower level than hitherto.

Mr. Basu said that the BPE did not lay down any guidelines on matters relating to wages in the public sector undertakings. In 1971 the Government had decided that every general revision of wages should have its approval and it was also decided that every agreement should be approved by the Cabinet. Later on this power for approval was sub-delegated to two Ministries--the concerned administrative ministry and the Finance Ministry. The BPE assisted the Finance Ministry in this matter. There were about 1,200 wage agreements in the public sector units, he said. The BPE never laid down any norm relating to wages as these differed from enterprise to enterprise.

Mr. Basu said the conference had taken up six principal questions on which it had made its recommendations. These were organisational issues, industrial relations, project evaluation and implementation, improvement in service and productivity, infrastructure constraints and problems of sick units which had been taken over.

Among the recommendations made by the chief executives were

(1) The Industrial Disputes Act should be amended to ensure that the number of persons entitled for registration (which is now seven) as a trade union should be increased to 20 per cent of the total strength of the workers or 500 whichever is less. Debarring of non-workers

from holding offices in the unions will help counteract the politicisation of the unions.

(II) A suitable mechanism based on either secret ballot or check off system should be prescribed to identify the sole bargaining agent.

(III) While absolute uniformity on wage structures of all undertakings is not possible, it is important to avoid excessive differentials in emoluments amongst various undertakings

because they provoke tension and industrial unrest. The Government should formulate broad guidelines on the ceiling percentage increase in total wage bill consequent on wage revision. Within the parameters laid down, the negotiations should be left to the managements and unions. Escalations to Government level should be avoided.

(IV) Taking note of the problems arising out of the taking over of sick units numbering 44 and representing an investment of Rs. 335 crores, the conference recommended that sick enterprises in the public sector which are not likely to be viable should be wound up. The tendency of attempting to tag a sick enterprise with a healthy one may result in spreading the sickness and therefore all caution should be exercised in this regard.

CSO: 4600/1010

DELHI IN DILEMMA OVER PURI REPORT ON GOLD SALES

Madras THE HINDU in English 7 Apr 833p 9

[Article by G. K. Reddy]

[Text]

NEW DELHI, April 6.

The present Congress (I) Government, having appointed a one-man committee consisting of the former Governor of the Reserve Bank, Mr. K. K. Puri, to inquire into the alleged irregularities of gold sales conducted during the Janata rule, is finding itself in the embarrassing position of not knowing what to do with the finding that gross improprieties were committed in authorising the sale without proper Cabinet sanction and allowing a few influential dealers to reap enormous profits from it.

The Political Affairs Committee of the Cabinet which has been considering the report, has not yet come to any definite conclusion as to what should be done with it.

If the Government accepts Mr. Puri's findings, it would have to initiate follow up action against the then Prime Minister, Mr. Morarji Desai, and the Finance Minister, Mr. H. M. Patel, who have been severely indicted for including the proposed gold sales as a budget proposal after it had been rejected by the Cabinet. As only the Prime Minister and the Finance Minister are privy to budget proposals, the Cabinet comes into the picture only at the last minute to formally approve them before their presentation to Parliament.

The report has brought out the fact that the original intention was to sell at the rate of four tonnes of gold a month from the 72 tonnes of non-monetary reserve and keep replenishing it through imports. But later on it was decided to sell from the reserve without any replenishment with the result that about 13 tonnes of gold was sold in Bombay to a syndicate of influential bullion dealers in a position to manipulate the price, before it was suspended following a big outcry against the contrived sales.

Morarji Desai criticised: It has been argued by Mr. Puri in his report that the 13 tonnes of gold sold in 1978 for only Rs. 86.5 crores at a time of rising world price would have fetched roughly Rs. 200 crores if the Government held on to it till 1980. The three persons severely criticised for these gold sales are Mr. Morarji Desai, Mr. H. M. Patel and the former Governor of the Reserve Bank, Dr. I. G. Patel, while other senior officials of the Finance Ministry have not come in for any strictures.

Amidst its preoccupation with the Akali and Assam agitations and other issues of greater importance, the Political Affairs Committee of the Cabinet has been devoting its attention to this report. The present Govern-

ment, having appointed the one-man committee, cannot shelve the report altogether, nor can it afford to take any action without inviting the charge of indulging in political vendetta against important personalities of a previous Government.

The terms of reference of the Puri Committee were:

(i) To examine whether the policy decision of the then Government to offer for sale a part of the gold held on Government account was in the public interest and was based on sound economic consideration.

(ii) To examine whether the policy/procedures evolved for the sale of gold were such as to adequately safeguard the public interest and whether the procedures laid down were observed at different stages.

(iii) To examine and advise the Government whether prima facie any impropriety had been committed at any stage in the sale of gold and, if so, to recommend such further action as may be considered appropriate.

(iv) To examine and advise the Government whether prima facie the scheme had been abused by some interested persons and in particular whether there was any cornering of gold by any individual or groups of individuals directly or indirectly and, if so, to recommend the course of action to be adopted and

(v) Also to examine such other matters as may be relevant for the purposes of the above inquiry.

The committee has found that both irregularities and improprieties were committed by some interested persons in the previous Government for reasons best known to them. The net result of this ill-advised move was that some influential bullion merchants made a lot of money in these transactions.

CSO: 4600/1010

BRIEFS

INDO-PAKISTAN PANEL--The first meeting of the Indo-Pakistan Joint Commission will be held in Islamabad from 1 to 4 June, reports PTI. Pakistan is understood to have confirmed the dates for the meeting. The agreement constituting the Commission was signed during the seventh non-aligned summit by the Foreign Ministers of the two countries who are its co-chairmen.
[Text] [New Delhi PATRIOT in English 8 Apr 83 p 7]

SOVIET PURCHASES SLACKEN--New Delhi, April 8. The Soviet Union has been going slow in effecting purchases in India of not only agricultural items but others items for want of rupee resources, the Lok Sabha was informed today. The Government is concerned at this development and efforts are continuously on to persuade the Soviet Union to effect purchases as agreed upon in the 1983 trade protocol, Mrs. Ram Dulari Sinha, Minister of State for Commerce, told Mr. B. V. Desai. Mrs. Sinha said the Government had suggested to the Textile Export Promotion Council (Texprocil) to take immediate steps to improve the quality of cotton fabrics exported to the Soviet Union. The Government had not received any complaint from the Soviet trade authorities, but certain observations were made recently at a meeting of the Texprocil by one of the Soviet buyers to this effect.--PTI & UNI.
[Text] [Madras THE HINDU in English 9 Apr 83 p 6]

ANTARCTICA PLANS TOLD--New Delhi, April 8.--With the return of the second team from Antarctica, preparations have begun for setting up a permanent station on the continent's ice shelf, reports PTI. It is to be set up on ice as no rocky land is available, according to Mr V. K. Raina, director in the Geological Survey of India, who led the second expedition. The Indian station will be close to the sea and within a few kilometres from Soviet camp. The station will have an air strip nearby, Mr Raina said. Army engineers who accompanied him prepared the runway, levelled it and have placed metallic markers for easy identification during the next expedition.
[Text] [Calcutta THE STATESMAN in English 9 Apr 83 p 5]

WATER RESOURCES COUNCIL--New Delhi, April 10. A 41-member National Water Resources Council has been set up under the chairmanship of the Prime Minister, Mrs. Indira Gandhi. The Union Minister for Irrigation, Mr. Ram Niwas Mirdha, is its vice-chairman. The council is expected to lay down a national water policy and review it from time to time and review and recommend water development plans submitted by the National Water Development Agency, and the river basin commissions. It will advise on the modalities of resolving inter-State differences on specific elements of water plans and other issues that may arise during planning or implementation of the projects. Among the council's other functions will be to advise on practices and procedures, administrative arrangements and regulations for the fair distribution and utilisation of water resources by different beneficiaries and make recommendations for expeditious and environmentally sound and economic development of water resources in various regions. The need for an apex body to evolve national policies for development and use of water resources has been emphasised in recent years by the Irrigation Commission, National Commission on Agriculture and the National Flood Commission. The National Development Council at its meeting last year felt that a climate should be created in which national water plans are prepared, keeping in view the national perspective as well as State and regional needs. [Text] [Madras THE HINDU in English 11 Apr 83 p 9]

INDO-LIBYAN JOINT COMMISSION--India and Libya on Monday agreed to examine the possibilities of boosting and diversifying trade relations between the two countries, reports PTI. At the Indo-Libyan joint commission which concluded its eight-day session in New Delhi, the two sides felt that exchange of trade delegations would be an important step towards that end. The two sides expressed the desire to further develop relations between them in the banking sector. It was suggested that the Export Import Bank of India could be the focal bank for the purposes of guarantees to be extended on behalf of the Indian firms quoting for contracts in Libya. Mr Juma Salem Al Abrash, secretary of the Socialist Peoples' Libyan Arab Jamahiriya and Industries Minister N D Tiwari signed the agreed minutes. [Text] [New Delhi PATRIOT in English 12 Apr 83 p 7]

CSO: 4600/1020

TEHRAN BLAMES REAGAN AND PLO FOR BEIRUT EMBASSY BLAST

London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 6

[Text] Although the government-controlled Islamic Republic News Agency in a report blamed the explosion at the U.S. Embassy in Lebanon on the PLO at one stage, Deputy Minister of Foreign Affairs Ahmad Azizi was quoted as saying that popular resentment of the United States because of its policies made its installations a natural target for that popular anger.

He added he suspected the American Government welcomed the bombing because it could increase the kind of popular chauvinism in the U.S. which would serve the purpose of Reagan's warmongering.

Azizi dismissed allegations that the Islamic Republic had any involvement with those who did the bombing, saying that this was simply an American plot to use every opportunity to assail the Islamic regime. It reflected the Zionist-imperialist control of the media, and was all lies.

The claim by a pro-Khomeyni breakaway group of Lebanese Shia's who are working along with a force of at least several hundred Iranian militiamen who have been sent to Lebanon that they were responsible for the bombing was credible to some observers. They pointed to recent violence in Baalbek, where the Shia's are centered under Syrian patronage in which 20 Iranians died after clashes with the Lebanese forces.

The group's propaganda has dismissed the Lebanese Government as illegitimate and a puppet of America and is committed to its overthrow. Hojatoleslam Mehdi Hashemi, who is head of the Islamic Republic's organisation dealing with liberation movements, had just been in Lebanon, too, it was pointed out, ostensibly for the funeral of a religious dignitary who turned out to be an insignificant village mullah and to have served as a pretext for Hashemi's visit. The rising volume of anti-American propaganda on Tehran Radio and in the media was another factor pointed to by those who suspect Iranian involvement.

CSO: 4600/595

IRANIAN EMIGRE OPPOSITION ON COMMANDERS' DEATHS

NC191257 Paris IRAN-E AZAD in Persian 16 Apr 83 p 4

[Text] Many rumors have been spread in Tehran on the death or injury of Sayyad Shirazi, commander of the ground forces, and of Reza'i, commander of Khomeyni's Revolution Guards. Opinions differ. Some believe that the two were wounded on the battlefield in the war with Iraq and that they were silently taken to a hospital in Cleveland, U.S.A. Others believe that they were killed in the war and that in order to maintain its high morale, the regime has not published any reports on their deaths. Some rumors also say that Sayyad Shirazi and Reza'i were victims of bloody and secret purges by belligerent sides within the ruling circles. According to these rumors, some time ago serious differences rose between Rafiqdust, minister of the Revolution Guards, and the two and that he removed them with the help of Hashemi-Rafsanjani. So far there are no indications that these rumors are either correct or incorrect, but the fact is that nothing has been heard about these two nor were there any reports on them in the past week. Contrary to practice, during the last attack by forces of the Islamic Republic against Iraq, no mention was made either of Sayyad Shirazi or of Reza'i and even REVOLUTION GUARD magazine, the organ of the Revolution Guards Corps, which seizes any excuse to print a picture or to publish a report on or interview with Mohsen Reza'i, was silent in its last issue. If the rumors are proven correct, then it should be accepted that the Stalinist purges have resumed in Tehran and that incidents such as the murders of Taleqani, Beheshti, Fallahi, Kolahduz and others have been repeated. It is said that Reza'i's deputy, Shamichani, will be appointed as commander of the Revolution Guards Corps by Rafiqdust.

CSO: 4640/191

RESULTS OF MILITARIZATION, ISLAMIZATION DESCRIBED

Paris ESPRIT in French Apr 83 pp 170-174

[Article by Azad: "Iran From Day to Day"]

[Text] What do we know about Iran in France at the present time? The summary executions, the military communiques on the Iranian-Iraqi war and the reactions of the opposition that has emigrated to France: a rather partial view, all in all. By traveling to Iran, I wanted to see how this intolerable situation is being borne by the Iranian people.

Three phenomena determine the daily life of every individual: the militarization, Islamization and the resulting repression. Rather than a plunge into horror, the impression I have of the trip is one of a reality more complex than the French media describe.

Militarization

Tehran

One is immediately struck by the impressive number of *pasdarans* (militiamen who are unconditional supporters of Khomeyni) bearing weapons and posted at every crossroads, in front of public buildings, the mosques and residences of officials of the regime. For all their information and shadowing, they are aided by a large network of unemployed youths who drive around the city. I was even followed myself because one of them had seen my camera. Since September 1982, they have been helped by anti-guerrilla militiamen. These repressive structures lead to total control of economic and social life. The role of the *pasdarans* in the factories, government offices and the schools ranges from inspections (systematic and repeated searches looking for tracts, cassettes, weapons, drugs, and so on) to firings. Organized into Islamic councils, the militiamen judge conflicts between personnel, note assiduousness with respect to attendance in Koranic classes, prayer and unpaid overtime in the name of Allah and for Allah!

Let us therefore go to a public park to find a little peace, but no, they are there too! Near the playground, two little girls about eight years old hesitate, covered up by their *chadors*. Their laughter reaches us at the same time as the sound of the whistle: Already too grown up to play, they have to leave their seesaw.

In different sections of the city, teenagers and the unemployed play soccer in groups in vacant lots or in the street. All this is forbidden; the Islamic regime has condescended to invest...by buying miles of fence to enclose the empty lots. On the gate, a sign with the inevitable picture of Khomeyni and the inscription "Islamic Club." More *pasdarans*.

Rationing

Ration books and coupons are issued by the mosques, which distribute products to neighborhood stores as well. But since their number is lower than that of the coupons circulated, the difference naturally feeds the black market. Before taking one's place in any one of the long lines that begin to form by five o'clock in the morning, one first has to tour all the local merchants in order to find out what product is being sold that morning. I waited over three hours to buy a chicken (one per family per month), when there was none left. Lines in the afternoon for domestic fuel, gas, automobile gasoline (40 liters a month), cigarettes. Lines in front of the ministries, embassies and other public buildings. Time flies by but not always in vain: Discussions begin; news circulates. It is here that the boldest rumors get started, that solidarity is organized. It is also here that the sporadic revolts break out, although they are quickly quelled by the militia.

But this militarization of the city has not given the regime absolute security. Opponents of all kinds, including religious, have continued to plant their bombs. In September 1982, after one attack that killed over 200 persons, media and mosques asked the people to denounce dissidents and to join the revolutionary committees in their neighborhoods. Two weeks went by and the people did not move. Confronted with their refusal, the Islamic militia began a street-by-street, house-by-house search, arresting opponents and liquidating twenty on the spot.

Impasse of Islamic Revolution in the Country

In order to be able to breathe far from this stifling atmosphere, we headed for the north, ten of us in a car, counting the children. Gas was rationed and we had to combine our coupons in order to afford this extravagant luxury.

However, ten kilometers farther, the first inspection came, followed by many others, before we could reach the Caspian Sea. The children went wild, the place was deserted, the men plunged into the water, followed by the fully-clothed women, while some played with the children on the beach. Suddenly, gunfire shattered the calm of the afternoon and the barking of dogs joined the din. I turned around to see the *pasdarans*, weapons drawn, emerging from the desert and advancing toward us. The explanation came after the shots: That afternoon, only women could occupy the beach and go into the water wearing their Islamic dress. The men could not. We remained there, under the inquisitorial watch of uniformed men seconded by Islamic "matrons" pounding their beat, their eyes peeled for any improper dress that might set off the repressive whistle once again.

A little later, in the Caspian Sea region, I again met Sourou, in her fifties, a woman with six children, two of whom have gone to Tehran because the land

could no longer feed them all. But to whom does the land belong? Most of it to a religious official, seen only when the sharecropping fees had to be paid and during visits whose sole purpose is to maintain the feudal relationship by gifts paid in kind: chickens, eggs, vegetables. Then there is the hectare of rice obtained at the cost of a bitter fight against local notables and the feudal lords of the region. That was in 1962, within the framework of the agrarian reform!

Then came 1979. The peasants occupied the land, that belonging to religious officials as well as that owned by the royal family or feudal lords. These peasants were organized into peasant councils elected by the rank and file. The city of Amol, located on the banks of the Caspian Sea, was even bold enough to organize general self-management, going far beyond the timid programs of a left now underground. But repression was not long in coming and the peasants found they were facing the same coalition as in 1962, at the time of the application of the agrarian reform: feudal officials, local notables, religious leaders, plus the current opposition that moved into the rural areas in 1979 to spread a new era thanks to the Islamic cultural revolution. Consequently, the feudal visits grew less frequent, replaced by those of militiamen in charge of requisitioning their crops at prices challenging any competition.

In Guilan Province (in the northwest), peasants rejected the requisitions. In order to make them yield, the Islamic Revolutionary Committee cut off their water and electricity, forbade them access to the mosque in the provincial capital and refused to distribute their rationing coupons (for domestic and automobile gas, and so on).

Sourou told me about her participation in the revolutionary change set in motion by all the people in the little city of Amol. Surrounded and attacked, she finally had to surrender. The fight left over 100 dead. Throughout the region, the peasant councils were dissolved. Local notables regained their power within new structures, the Islamic Revolutionary Committees, while feudal and religious leaders took back their land.

Islamization

Organizing the population militarily is not enough. Islamic institutions must also inculcate an ideology: Islam, revised and corrected by Khomeyni's unconditional supporters.

In the factories, government offices and the schools, Koranic schools were set up under the Islamic councils. Failure to attend the courses results in firing for blue- and white-collar workers, with an exception for students. As for the mosque, it is both the symbol and the reality of absolute power (theocracy). Traditionally the place of spirituality and opposition, it is now expanding its services. Its purely ideological role while it fulfills at Friday prayer is joined by the distribution of consumer products, ration coupons, soup kitchens.

One must go to the mosque to obtain an Islamic good conduct certificate which (with two recommendations from neighborhood merchants) is indispensable in

order to apply for a job, which one can obtain only after passing an examination on the Koran.

If one does not find what one was looking for, there is no cause for despair. One has but to enter accompanied by a *pasdar* to the cellar of the mosque where the local revolutionary committee sits. There one finds a modern version of Ali Baba's cave! One rubs the eyes in wonder but there it all is: Western products: color television, video tape recorders, films, cassettes, washing machines, vacuum cleaners, perfumes and more: Persian rugs worth millions, "borrowed" with official permission at the time of night searches, art objects acquired in the same fashion!

If one has enough time to get to know the committee mafia better, one finds things no longer available anywhere else: housing (2.5 million homeless refugees), alcohol, drugs. After a few more visits, one can have the address of a "respectable" lady!

But one bit of advice: It is useless to go without a comfortable sum of money because these are not simple sales; one has to bid.

The supplying of these committees is the result of repression: drug addicts, prostitutes, alcoholics. Nothing is lost; everything is sold.

But let us leave such places and wander about in the streets. From behind my veil, I look at the city. My desire to live, to communicate, propels me into an urban landscape where the "Islamic" death wish prevails. I pass before a gallery of portraits, martyrs, young people for the most part. I scrape by the walls plastered with Islamic sentences, terrorizing judgments. Is it an illusion? Justice, justice, in order to have more executions of opponents! One slogan jumps out at me: "Woman! You are the object of every perversion!" Signed: "God's Squadron."

Silent, black shadows, the Iranian women have left their homes to take their places in the interminable supply lines. Their husbands, seated on the sidewalks, go through their prayer beads, desperately hoping for work (over 5 million unemployed). Suddenly, screaming sirens are heard. One then remembers the war that has gone on since September 1980. Birds scatter in all directions, like the children who interrupt their play in order to find shelter. The street empties and one hears explosions. Iraqi planes buzz the city.

Once the warning is over, I go back to my friends' house. We watch the news on television. Thanks to total Islamization of the tiny screen, we have the right, without going anywhere, to receive direct transmission of the Friday propaganda prayer. Sometimes a Russian film with subtitles recalls the influence of the Tudeh Communist Party on the media.

But it is the war reports that are the most frequent, reminding viewers that scarcities and insecurity are its consequences. The reports and gloating speeches are taken from a film made in Iranian territory in 1982, at the time of the decisive battle of Khorramchar that drove the Iraqis out of the Iranian

neighborhoods. But since all the incidents resemble one another, the television network uses the films over and over without any historical qualms. The music accompanying the reports: Chopin's funeral march, deceives practically no one because Iranians listen to foreign radio stations in order to know a little more.

With every trip, I have watched Iran become more closed, its order lax, intolerance imposed. Where is that Islam of justice, brotherhood, tolerance? Where is it to be sought? In Kurdistan? In the revolutionary committee cellars? In Evin Prison? Who is manipulating this revenge of the poor and for what purposes?

11,464

CSO: 4619/56

TRAN

PROFESSIONAL MILITARY START TO MAKE COMEBACK

London TRAN PRESS SERVICE in English No 118, 21 Apr 83 pp 2, 3

[Text] An official Armed Forces Day this week brought the regular military back to public attention in Iran. Parades were held throughout the country, and senior officers like General Zahirnejad, the chief of the armed forces, were given great prominence.

A couple of weeks earlier top military brass had met Ayatollah Khomeyni on several occasions and it was generally believed that either the military were unhappy about their situation or concern about the heightening rivalries among sections of the revolutionary guards was forcing the authorities to take action to tighten security.

The absence from the public spotlight of Army Chief Col Sayyad Shirazi and of revolutionary guards Commander Mohsen Rezai for two or three weeks had aroused speculation by last week that both had lost their influence. Shirazi's closeness to President Khamenei also led some people to forecast that Khamenei's star was no longer in the ascendant. The less radical mullahs were gaining the upper hand, rumor said.

Then last Friday Sayyad Shirazi appeared at prayers in Tehran and addressed the congregation with something of his old manner. He said the latest phase of the Val Fajr offensive had been completed successfully. And Army Day, he said, would provide the public with the occasion to express its gratitude.

But observers did not fail to note that prayers were led that morning by President Ali Khamenei, not as is almost invariably the case, by Majlis Speaker Hashemi Rafsanjani. And Shirazi is a protege of Khamenei, who is officially Tehran's Friday prayer leader but rarely exercises the prerogative. Did Khamenei decide to carry out his duties that day solely to give the pushed-aside Shirazi the chance to grab a little limelight before the big day?

What intrigued many observers in Tehran was that Mohsen Rezai, too, issued a statement on the very same day, claiming credit for the guards in having finally defeated the Mojahedin opposition groups along the Caspian Sea coast and in the forests of the north. Why, they asked, did Rezai choose to make a statement on the Sabbath instead of a normal working day when he could be sure of maximum coverage? The fact that Rezai has always been on good terms

with Shirazi and had been largely overshadowed in dealing with guards affairs recently by minister for the voluntary militia Mohsen Rafiqdoost suggested that Khamenei had conspired to allow his two associates a chance to expose themselves again to public view.

Anyway, on Tuesday the government announced it was allotting a sum of 10 billion tomans to the armed forces and the militia, the sum being divided equally between the two sections. No explanation of where the money came from or in what context, such as part of ordinary budget allocations, it was being given was offered. Some people said it was merely the normal way the mullahs handled their finances--giving money out whenever it came to hand without worrying about proper budgeting or accounting.

CSO: 4600/595

SIGNS OF MORE CONVENTIONAL NATIONALISM SEEN

London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 4

[Text] The almost deserted streets of Tehran's towns and cities as rallies were held to mark the fourth anniversary of the Islamic republic had their lesson for the mullahs. Only about 30,000 people instead of the more than a million who gathered in the streets in the first two years of the republic attended a rally at Tehran University.

Following on the enthusiasm shown for celebrating the pre-Islamic Now Ruz festival in spite of the earnest efforts of the mullahs to play down the occasion and to institute artificial shortages of food items needed for the celebrations the apathy over the republic day was disheartening for officials.

Recognition of economic and other problems is now becoming more regular in the press. And some idea of what the public is saying can be gleaned from some of the commentaries, which often are replies to public demands, which are sources of news on the dull, Tehran radio. One this week referred to nationalism being equated with monarchy by some people, a startling admission, some observers felt. But monarchism was not nationalism, the commentator said, because it implied worship of the shah and not the nation. As far as the monafeqin (Mojahedin and allies) were concerned the world was their homeland, not Iran. But Islam and the homeland could be worshipped without any incompatibility.

Falling oil prices and the ever-increasing reliance on oil for income have been preoccupying many people, not only government officials. Majlis deputies have voiced their disappointment over the failure to either change the structure or the efficacy of the economy. One deputy asked what the inflation rate was when the cost of a kilo of rice had risen from 10 toman to 40, and of oranges from seven to 30 toman. Enormous subsidies were being given for wheat and bread, he said, and he wondered what the Ministry of Agriculture had been doing. More land appeared to be cultivated but production figures fell away.

CSO: 4600/595

BRIEFS

'GUERRILLA CHIEFS HELD' CLAIM--Rezai claimed in his statement that the hard core of what he called "Marxist monafeqin" (hypocrites) had been crushed. Four prominent urban guerrilla leaders have been caught and eight "safe houses" discovered. The four had been held as they were about to leave Iran, he said, a claim which brought some speculation in Tehran that Rezai was implying they might have been trying to get into the Soviet Union and was thus trying to implicate the Mojahedin in Marxist plotting. There have been reports recently suggesting that there have been some defections from the Mojahedin to secular Marxist groups. This has occurred both inside and outside Iran, sources said, possibly because of Mojahedin leader Masoud Rajavi's accord with the Iraqis, or because of what is seen as the more bourgeois style and political thrust of Rajavi in recent months. There has also been considerable resentment over Rajavi's apparent decision to talk to the Iraqis without consulting with the rank and file of the organisation's predominantly student activists in Europe. [Text][London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 3]

FIGHTING ENDS INCONCLUSIVELY--Rumors that Mohsen Rezai had been badly injured in the recent incident where at least three leading guards officials were killed were scotched by his statement. IPS had confirmed that a story Rezai had been taken to a certain U.S. hospital for treatment was untrue. The guards were said to have been killed at the front. Meanwhile, Tehran announced it had completed one more phase of the Val Fajr offensive and had freed some more Iranian territory. Reports from the Iraqi side of the front, however, where some foreign journalists were able to see some of the fighting area, said Iranian bodies were strewn over a wide area. Foreign military observers said they were sceptical about the actual details of their gains given by Tehran. Most feel the better equipped and supported Iraqi army has the situation in the battle area well under control. [Text] [London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 4]

SOME UNIVERSITY DEPARTMENTS REOPEN--The opening of the science faculty at Tehran University, the theological studies section and teachers training department at Isfahan and teachers training department at Kerman were announced in the Tehran press last week. Reopening of other branches of studies such as engineering, medicine and law must await the completion of the process of Islamisation, it has been decided. The press reported that by September some 18 universities and institutes of higher education will have begun work. At Isfahan University Ayatollah Montazeri's representative warned that no

political or ideological society would be allowed to function unless he had given his permission. "Research, publications and debates must be under my direct supervision", he was reported as saying by the press. "I must approve all posters, papers, publications and research work related to political or ideological work." [Text] [London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 5]

BEIJING ANXIETY OVER MUSLIM MOVEMENTS--Chinese authorities have become the latest to show some sign of alarm over Muslim zealotry. At a conference which ended in Beijing early this week a senior Muslim official warned about "illegal Islamic" groups which were becoming active and said they must be controlled. The fact that the Beijing press gave prominence to the statement suggests it had the approval of the authorities. The conference heard that some of the illegal groups were pursuing aggressive policies in their publicity and activities. In recent years Beijing has paid considerable attention to its Muslim community, which is based largely in the West. This was part of a programme to ensure good relations with Muslim regimes. Signs of concern have only appeared as signs have grown that Khomeyni type fundamentalism has been spreading to Pakistan and over the border into the Soviet Union. Soviet actions in Afghanistan have also inflamed Muslim feeling all around the region, and this had its echoes in western China. [Text] [London IRAN PRESS SERVICE in English No 118, 21 Apr 83 p 6]

CSO: 4600/595

PAKISTANI PAPER ON ANDROPOV REMARKS ON AFGHANISTAN

GF282024 Karachi JASARAT in Urdu 25 Apr 83 p 3

[Editorial: "Soft Talk by Andropov"]

[Text] The leader of the CPSU and Soviet head of state Andropov has said that Moscow is very much aware that due to the Afghanistan dispute the [words indistinct] somewhat unpleasant. But, however, the Soviet Government believes that a solution to the dispute can be found with the help of the UN secretary general, Mr. Cuellar. That the Soviet Union has no plans in Afghanistan, nor does it want its forces to remain in that country. But because the Soviet Union has a common border with Afghanistan, it naturally cannot remain aloof from political developments in that country. Subsequently, the Soviet Union was interested in solving the Afghanistan problem, Mr Andropov said.

This seems to be the first open statement by the Soviet leader on the Afghanistan issue. Andropov seems to have adopted a softer attitude toward the problem than Mr Brezhnev. We welcome this attitude and appreciate the fact that Mr Andropov has the moral courage to admit the seriousness of the consequences of Soviet forces in Afghanistan, and that their presence has made the international atmosphere unpleasant. Andropov also said that the Soviet Union had no plans in Afghanistan, nor does it want its forces to remain in that country.

After considering Andropov's statement on Soviet intentions it is only natural to ask, if the Soviet intentions in Afghanistan were so good and pious, what have the Soviets been doing in Afghanistan for the past 3 and 1/2 years? And, what has it motivated them to do? Mr. Andropov alluded to this in his statement when he said that since the Soviet Union has a border with Afghanistan it could not remain aloof to developments in that country. Perhaps, like the United States cannot remain aloof regarding who actually is running Nicaragua.

Accepting Andropov's argument, this means that if the United States cannot tolerate a communist government on its borders it is only natural for the Soviets to be allergic to a noncommunist government existing on their borders.

However, the facts are not as simple as Mr Andropov would like them to appear or what his logic makes them to be. Apparently, Mr Andropov seems to have given a tit for tat answer to the United States.

Logically speaking, Mr Andropov cannot be correct. First of all Afghanistan is not a new nation that has suddenly appeared on the Soviet border, nor is it a new state. During the whole existence of the Soviet communist Russia, Afghanistan had never been a Soviet problem. The Soviet armed aggression in Afghanistan was actually the product of Brezhnev's hotheadedness. It was caused by his nervous and emotional reaction toward Afghanistan. In fact, he had become unnerved by the revival of Islamic movements in Pakistan and Iran; he was afraid that such revival might have its effects on the central Asian Muslim populations of the USSR. This was the reason that he felt threatened, for the first time, during the century-half long existence of the Soviet communist Russia.

In our opinion the Soviet Union should have considered coolly the revival of Islam in Pakistan and Iran. Pakistan was founded on the basis of Islam, yet it desires to live in amity with its neighbor having a different ideology. If communist China could have friendly and cordial relations with Pakistan despite the Pakistani association with U.S. defense arrangements in the region and despite the U.S. displeasure over such a friendship, why should the Soviet Union have fears over Islamic revival in Pakistan. [as published] In fact Pakistan was never an agent to any big power. In fact Pakistan wants to end any such involvement if it does exist and therein help the cause of international stability. That is why despite the Pakistan's friendship with the United States, the PRC has maintained friendly relations with Pakistan. China in this matter has never considered Pakistan as an American agent. Finally Pakistan has since succeeded in removing doubts that had existed between the United States and China that subsequently have reduced tensions somewhat in the region.

We believe that brother countries like Iran and Afghanistan can like Pakistan also have cordial relations with neighboring communist countries like China and the Soviet Union, provided the parties do not interfere in internal affairs of others or try to export their ideologies to their neighbors. In this matter, the relations between China and Pakistan are a good example. Pakistani-Chinese relations are based on noninterference in each other's affairs politically and ideologically. Similarly, the Soviet Union can also establish relations with its neighbors Iran and Afghanistan.

Mr Andropov should, through his nonexpansionist policies, help reduce the tense situation left over by Brezhnev and Krushchev and help bring peace to South Asia. Mr Andropov can begin this by withdrawing Soviet forces from Afghanistan!

CSO; 4656/164

FLOGGING OF POLITICAL LEADERS, WORKERS CONDEMNED

GF020930 Islamabad THE MUSLIM in English 18 Apr 83 p 8

[Bureau report: "Flogging Condemned"]

[Text] Karachi, 17 Apr--The MRD had condemned the policy of the government of allegedly giving sentence of flogging and rigorous imprisonment of long terms to the leaders and workers of political parties in one of the remaining three resolutions passed by the Central Committee of the movement in its meeting on 10 April released here yesterday evening.

One of the resolutions said that the crime of these political workers and students who were being allegedly flogged and sentenced to hard labour was that they were demanding withdrawal of martial law, restoration of democracy under the 1973 constitution, fundamental rights, independence of judiciary, holding general elections and transfer of power to the elected representatives of the people, which the resolution said was what 99 percent population of the country desired.

The resolution further condemned the recent flogging of Rashid Jut a leader of Gaumi Mahaz-e Azadi, Sind, and Ata Mohammed Kakar, president of National Student Federation, Baluchistan.

The MRD also expressed its shock and dismay at the alleged kidnapping of Maulana Mohammad Aslam Gureshi of Majlis-e Tahfuz-e-Khatm-e-Nabuwat [society professing the belief that revelations ended with the prophet Mohammad] and felt alarmed at "the utter neglect and ineffectiveness of the government in tracing the culprits."

The resolution further said that the last five years of martial law have witnessed an unprecedented increase in crimes, robberies, dacoities, murders, rape and other such heinous crimes in the society.

It alleged that the government was preoccupied in arresting dissenting political workers, student leaders and had little time for checking the crime.

The resolution demanded of the authorities to disclose the whereabouts of Maulana Aslam Gureshi without further delay.

In another resolution the MRD expressed its support to the views of Maulana Hufti Waliul Hassan Tunki that mosques built on the lands owned by the state even without permission could not be demolished.

The first three resolutions passed in the meeting were released earlier.

CSO: 4600/578

LAHORE TEACHERS TAKEN INTO CUSTODY

GF061154 Dubayy KHALEEJ TIMES in English 6 May 83 p 1

[Article by correspondent]

[Text] Islamabad--About 50 teachers were taken into custody by police in Lahore yesterday following a boycott of classes and street demonstrations as part of countrywide protest against a recent amendment to a law empowering provincial governments to restore to private owners their educational institutions nationalised by the previous government. One hundred students rounded up in the morning were released later in the day.

A spokesman for the teachers in Lahore said police also resorted to a baton charge to disperse teachers and students who staged a sit-in and demonstrated on roads and streets in various localities.

Later in a statement, the president of the Pakistan College Teachers Association, Dr Abdul Hayee criticised police action against the peaceful teachers and students.

Reports from other parts of the country, including Karachi, said college teachers joined by students demonstrated to protest against the amendment. The previous regime had promulgated in 1972 martial law regulation No 118 nationalising all private educational institutions including those run by foreign missionaries. After the nationalisation teachers got better pay, security of service, pension and other benefits which were until then denied to them in most private institutions.

Last month the law was amended giving almost blanket power to provincial governments to denationalise any institution they deemed necessary. Later clarifications by government indicated that the step was taken to honour President Zia's assurance to Prince Karim Agha Khan last March that the government would denationalise institutions of his community.

Punjab Governor Ghulam Gilani Khan talking to newsmen in Lahore yesterday said the amendment had a limited purpose. He gave a categorical assurance that government had no intention to denationalise schools and colleges. He said representatives of teachers should sit with the concerned authorities to sort out the matter and remove doubts lurking in their minds.

CSO: 4600/596

PAKISTAN

BRIEFS

NAP LEADER IN NEW DELHI--Kabul--The fugitive general secretary of the defunct National Awami Party (NAP), Ajmal Khattal, is reportedly living in New Delhi now. According to NAP sources, Ajmal Khattak left Afghanistan secretly for India after differences developed between him and the Karmal regime. According to confirmed reports Ajmal Khattak has been in New Delhi for the past 1 and 1/2 months and is staying at a local hotel. The reason for his differences with the Karmal regime was that his loyalty to the Parchem Party was in doubt. Certain Parcham leaders even believed that Ajmal Khatta was in secret alliance with the Khalq Party to the extent that some people at the center of Parcham Party began calling him the chief spy of the Khalq Party. [Text] [GF041506 Karachi JASARAT in URDU 29 Apr 83]

CSO: 4656/168

END